CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLES

The effects of rebasing the expenditure-based measure of gross domestic product

The rebased estimates of the output-based measure of gross domestic product

The rebased estimates of the index of industrial production

No 307
May 1979
HMSO £2.10 net

A publication of the Government Statistical Service

Release dates of economic statistics to be published in June 1979

This list is published by the Government Statistical Service as a guide to the dates of publication of major economic series in June. The dates are those which Departments, or other organisations concerned, are aiming at, and would normally expect to meet. Exceptionally, there may be a delay resulting from unavoidable statistical problems of collection and compilation. Further enquiries about individual series should be addressed to the source named.

Publication date	Series	Method of release	Source
June 1979			
Mon 4	UK official reserves (May)	PN	HM Treasury
	CBI Monthly Trends Inquiry (May)	PN	CBI
	Investment intentions of the manufacturing, distributive and service industries (1979 and 1980)	PN	D of Industry
	Capital issues and redemptions (during the month of May)	PN	Bank of England
Tues 5	Retain sales (April—final)	PN	D of Trade
	Hire purchase and other instalment credit business (April)	PN	D of Trade
	London clearing banks' monthly statement (mid-May)	PN	CLCB
	UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-May)	PN	Bank of England
Wed 6	United Kingdom balance of payments (1st qtr)	PN	CSO
Thurs 7	Housing starts and completions (April)	PN	D of the Environment
	Provisional figures of vehicle production (May)	PN	D of Industry
	Survey of short-term export prospects (to the end of 1979)	PN	D of Trade
Fri 8	Company liquidity survey (1st qtr)	T and I	D of Industry
Mon 11	Retail sales (May – provisional)	PN	D of Trade
	Wholesale price index numbers (May – provisional)	PN	D of Industry
	Central government transactions (including borrowing requirement) (May)	PN	HM Treasury
Tues 12	Building societies' receipts and loans (May)	PN	BSA
Thurs 14	Balance of payments current account and overseas trade figures (May)	PN	D of Trade/CSO
	UK banking sector statistics (1st qtr)	Bulletin	Bank of England
	Financing of the central government borrowing requirement (1st qtr)	Bulletin	Bank of England
	Money stock (1st qtr)	Bulletin	Bank of England
	UK banks' assets and liabilities and the money stock (mid-May)	PN	Bank of England
	London dollar and sterling certificates of deposit (mid-May)	PN	Bank of England
Fri 15	Retail price index (May)	PN	D of Employment
	Index of industrial production (April – provisional)	PN	CSO
	Usable steel production (May)	PN	BSC/BISPA
Sun 17	Department for National Savings' monthly progress report (May)	PN	D for National Savings
Tues 19	Cyclical indicators for the UK economy (May)	PN	CSO
Wed 20	Gross domestic product (1st qtr – provisional)	PN	CSO
	Basic rates of wages and normal weekly hours (May)	PN	D of Employment
	Monthly index of average earnings (May)	PN	D of Employment
Thurs 21	Car and commercial vehicle production (May – final)	PN	D of Industry
	Bricks and cement production (May)	PN	D of the Environment
Fri 22	Sales and orders in the engineering industries (March)	T and I	D of Industry
	New vehicle registrations (May)	PN	D of Transport
Mon 25	National Food Survey report on consumption (1st qtr)	PN	MAFF
	Quarterly analysis of bank advances (mid-May)	PN	Bank of England
Tues 26	Unemployment (June – provisional)	PN	D of Employment
	Unfilled vacancies (June – provisional)	PN	D of Employment
Thurs 28	Unemployment (May – final)	Gazette	D of Employment
	Employment in the production industries (April)	Gazette	D of Employment
	Overtime and short-time working in manufacturing industries (April)	Gazette	D of Employment
	Stoppages of work due to industrial disputes (May)	Gazette	D of Employment
	Capital expenditure by the manufacturing, distributive and service industries (1st qtr – revised)	PN	D of Industry
	Manufacturers' and distributors' stocks (1st qtr – revised)	PN	D of Industry
	Energy Trends	PN	D of Energy

PN—*Press Notice* T and I—*Trade and Industry*

CENTRAL STATISTICAL OFFICE

Economic Trends

No 307
May 1979

London: Her Majesty's Stationery Office

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First published 1979

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Government Statistical Service

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The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone 01-233 6135/6193.

Enquiries about orders and subscriptions should be made to the publisher, Her Majesty's Stationery Office, PO Box 569, London SE1 9NH. Telephone 01-928 1321.

ISBN 0 11 725574 2
ISSN 0013-0400

Introduction

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a calendar of recent economic events. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier.
- The main section shows the movements of the key economic indicators over the last five years or so. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.
- A further chart shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 18 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology. The regular 'Round-up' feature contains notes on relevant articles appearing in other publications, news of developments in economic statistics and brief synopses of any new publications.

Notes on the tables

1. The main tables and charts in this issue contain information available to the CSO on 22 May. The 'Latest developments' section may contain later information.

2. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

Symbols used:

..	not available or not meaningful
–	nil or less than half the final digit shown
§	series for which measures of variability are given on page 78
†	indicates that the data have been revised since last issue; the period marked is the earliest in the table to have been revised

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Latest developments in the economy[1]

Data available at 22 May 1979

Output

Provisional estimates suggest that the index of industrial production continued to rise in March, indicating a further recovery from the depressed level of January. Industrial output in the first quarter of 1979 was some 1½ per cent below the level of the preceding quarter. This comparison is, however, severely affected by various industrial disputes and bad weather in the last six months.

Steel production continued to recover in April to its highest level for over two years and was 4·1 per cent higher than in April 1978. This higher output mainly reflects the replacement of production losses caused by transport disputes and bad weather earlier in the year.

Car production fell back in April but was nevertheless at about the same monthly rate as in 1978 as a whole.

The latest Industrial Trends Survey by the Confederation of British Industry suggests that business confidence is back where it was before the previous survey in January. The latest survey was taken during the run-up to the General Election. There were fewer firms working below capacity and the intake of new orders seems to have picked up but the increase was only in domestic orders. Expectations for future export orders remained at a low level. Poor export price competitiveness was still the main factor limiting export orders.

Housebuilding

In the first quarter of 1979, housing starts in Great Britain were 36 per cent down on the previous quarter and 31 per cent less than in the first quarter of 1978. Total completions were 24 per cent down on the previous quarter and 27 per cent less than a year earlier.

Consumers' expenditure

Latest estimates suggest that consumers' expenditure in the first quarter was 1 per cent higher than in the fourth quarter of 1978. Excepting food and radio and electrical goods, most retail sales fell back slightly but expenditure on motor vehicles was buoyant. A sharp decrease in expenditure on beer was accompanied by substantial increases on wines and spirits. There was also a substantial increase in expenditure on fuel and light.

Provisional estimates suggest that the volume of retail sales in April was markedly higher than the depressed level of the first quarter. The increase was strongest in sales by non-food shops. Over the first four months of 1979, the volume of sales was at about the same level as in the second half of 1978.

[1] All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Investment intentions

The latest CBI survey suggests an increase in the volume of total manufacturing investment of about 5 per cent in 1979 with a further, perhaps smaller, rise in 1980.

Unemployment and vacancies

The number of unemployed in the United Kingdom (excluding school leavers) fell by 20,700 in May to 1,306,700.

Vacancies notified to employment offices rose by 12,000 in May to 257,300.

Earnings and wage rates

Average earnings of all employees in Great Britain are estimated to have risen by 14·6 per cent between March 1978 and March 1979. This estimate is based on the monthly index for the whole economy, which is not seasonally adjusted. The older series index, which is seasonally adjusted and covers the production industries and some services, showed an increase of 3·5 per cent between February and March.

The index of basic weekly wage rates (not seasonally adjusted) rose during April and was 10·6 per cent higher than in April 1978.

Prices (not seasonally adjusted)

The index of retail prices in April was 214·2 (January 1974 = 100). This represents an increase of 1·7 per cent on March 1979 and of 10·1 per cent on April 1978.

The provisional wholesale price index for home sales of manufactured goods increased by 1¼ per cent in April. Although the increases were spread across most sectors, there was a significant price increase for petroleum products. In the food manufacturing sector, much of the increase came from animal feeding stuffs and chocolate confectionery. The increase over a twelve month period rose from 8¾ per cent in March to 9½ per cent in April.

The provisional price index for materials and fuel purchased by manufacturing industry increased by 2¾ per cent in March and was 8½ per cent higher than in March 1978.

Money stock

During the four-weeks to 18 April, the broader version of money stock (sterling M_3) rose by £740 million or 1·5 per cent. The increase since mid-October was about 6¼ per cent. The narrower version of money stock (M_1) rose by £790 million or 3 per cent during the four week period.

Domestic credit expansion was £810 million during the banking month. There were large sales of central government debt, at £1,380 million, to the non-bank private sector but the central government borrowing requirement at £1,490 million was exceptionally high. There was also a net contribution to domestic credit expansion in the remainder of the public sector, and bank lending in sterling to the private sector again grew strongly.

Economic events

April

7 Parliament was formally dissolved for the General Election to take place.

26 The Price Commission froze the price of bread for three months.

May

2 The Unions representing 600,000 non-industrial civil servants finalised their 1979 pay agreement with the Government. Increases will take effect in three stages, on 1 April 1979, 1 August 1979 and 1 January 1980.

3 The General Election was held.

4 The General Election produced a majority for the Conservative Party of 43 over all other parties. Mrs Margaret Thatcher became Prime Minister.

7 Ministers mainly involved with economic matters are:
Chancellor of the Exchequer: Sir Geoffrey Howe
Secretary of State for Industry: Sir Keith Joseph
Secretary of State for Trade: Mr John Nott
The Department of Prices and Consumer Protection would be merged with the Department of Trade.

9 The second stage of the Edmund Davies pay award to the police, due to be paid in September, would be implemented immediately, the Home Secretary, Mr William Whitelaw, announced.

10 The Government announced that it would give 309,000 members of Britain's armed forces a further pay rise of 8·3 per cent from 1 April. This brings the pay rises granted to the forces to take effect from 1 April 1979 to a total of about 32 per cent.

Selected monthly indicators[1]

	Seasonally adjusted					Unadjusted				Seasonally adjusted			
	1971 =100	Thousands	1975 =100	Thousands		Jan. 1976 =100	1975 =100	Jan. 1974 =100	December 1971 =100	£ million			
	Volume of retail sales (GB)[2, 3] §	New registrations of cars (GB) §	Index of industrial production[4] §	Unemployment[5] §	Vacancies[6] §	Average earnings New series (whole economy: GB)	Wholesale prices of materials and fuel[7]	General index of retail prices (all items)	Sterling effective exchange rate	Balance of payments current account: Exports (f.o.b.) §	Imports (f.o.b.) §	Current balance	Money stock sterling M_3
1977 J	104·4	113·3	105·9	1,398·5	155·2	117·0	147·9	183·8	61·0	2,788	2,953		41,490
A	104·7	113·0	106·4	1,410·3	153·4	115·7	145·9	184·7	62·0	2,845	2,743	+522	41,610
S	103·5	104·7	106·4	1,434·9	147·2	116·6	145·6	185·7	62·4	2,898	2,838		42,190
O	103·1	116·0	105·5	1,431·5	156·0	117·9	143·7	186·5	62·5	2,739	2,749		42,570
N	103·6	114·2	105·5	1,429·6	159·4	120·1	142·0	187·4	63·6	2,652	2,538	+501	42,880
D	106·9	108·2	106·5	1,422·3	165·0	121·7	141·0	188·4	63·8	2,785	2,905		43,440
1978 J	105·3	119·1	106·9	1,419·2	180·3	121·5	139·4	189·5	66·0	2,603	2,928		44,210
F	106·7	121·0	107·3	1,409·0	187·0	122·7	139·1	190·6	66·0	2,992	2,969	−341	45,030
M	107·2	144·6	106·8	1,400·0	195·8	125·0	142·0	191·8	64·1	2,813	3,107		45,320
A	106·9	130·4	111·1†	1,387·1	203·7	127·2	145·1	194·6	61·8	2,960	2,835		45,980
M	108·2	126·6	110·1	1,366·4	209·9	129·4	146·8	195·7	61·5	2,873	3,055	+146	46,530
J	108·6	141·7	111·1	1,364·7	217·4	133·1	147·0	197·2	61·3	2,920	3,036		46,930
J	111·0	111·3	111·7	1,371·4	211·0	133·6	145·8	198·1	62·1	3,011	3,158		47,600
A	111·7	142·4	112·2	1,392·1	209·3	131·7	144·2	199·4	62·4	3,008	3,010	+ 51	47,390
S	109·6	144·0	110·8	1,378·3	218·7	134·2	144·8	200·2	62·7	3,032	3,250		47,880
O	110·2	133·3	108·5	1,359·6	228·4	135·2	145·7	201·1	62·5	3,073	3,037		48,270
N	110·5	126·3	109·6	1,338·8	231·3	136·1	147·3	202·5	62·5	3,020	3,136	+398	48,620
D	113·8	120·9	111·2	1,320·7	231·2	138·0	148·3	204·2	63·2	3,127	3,086		49,370
1979 J	109·6	121·1	102·6	1,339·1	235·9	135·7	150·8	207·2	63·5	2,814	2,933		50,410
F	110·4	117·0	110·4	1,362·5	230·9	141·1†	152·2†	208·9	63·7				50,950
M	110·8†	156·0	111·5	1,350·4	237·0	143·4[8]	153·3[8]	210·6	65·0				50,570
A	114·5[8]			1,310·9	249·7		157·6[8]	214·2	66·9				51,310
M				1,306·7[8]	257·3[8]								
J													
	Percentage change, latest three months on previous three months												
1978 J	+ 2·2	− 4·2	+ 2·3	− 2·2	+ 8·8	+ 5·7	+ 3·1	+ 2·4	− 3·7	+ 0·4	+ 3·8	..	+ 3·5
A	+ 2·7	− 1·6	+ 2·1	− 0·6	+ 4·6	+ 4·4	+ 0·7	+ 2·2	− 0·9	+ 3·4	+ 2·3	..	+ 3·0
S	+ 2·6	− 0·3	+ 0·7	+ 0·6	+ 1·3	+ 2·5	− 0·9	+ 1·7	+ 1·4	+ 2·9	+ 5·5	..	+ 2·5
O	+ 1·1	+10·6	− 0·5	+ 0·7	+ 2·8	+ 1·3	− 1·1	+ 1·6	+ 1·5	+ 3·5	− 0·5	..	+ 1·8
N	− 0·2	+ 2·1	− 1·8	− 1·2	+ 6·4	+ 1·8	+ 0·2	+ 1·5	+ 1·0	+ 2·1	+ 2·4	..	+ 2·0
D	+ 0·9	− 4·3	− 1·6	− 3·0	+ 8·1	+ 2·4	+ 1·5	+ 1·7	+ 0·5	+ 1·9	− 1·7	..	+ 2·4
1979 J	+ 1·0	−12·2	− 2·3	− 3·2	+ 6·4	+ 2·1	+ 2·7	+ 2·2	+ 0·9	− 1·7	− 1·5	..	+ 3·4
F	+ 1·3	−11·1	− 1·2	− 1·3	+ 2·9	+ 2·3†	+ 3·1†	+ 2·7	+ 1·4			..	+ 4·1
M	− 1·3	+ 3·6	− 1·5	+ 0·8	+ 1·9	+ 2·6[8]	+ 3·4[8]	+ 3·1	+ 2·1			..	+ 3·9
A	+ 0·3[8]			+ 0·6	+ 2·7		+ 3·7[8]	+ 3·2	+ 3·4				+ 3·0
M				− 1·4[8]	+ 6·6[8]								
J													
	Percentage change, latest three months on corresponding period of previous year												
1978 J	+ 6·0	+18·6	+ 5·0	+ 0·4	+35·0	+14·7	− 1·2	+ 7·6	− 0·4	+ 8·1	+ 4·4	..	+14·5
A	+ 6·6	+21·7	+ 5·7	− 1·1	+36·6	+14·5	− 1·1	+ 7·7	+ 0·7	+ 6·2	+ 5·1	..	+14·3
S	+ 6·2	+20·1	+ 5·0	− 2·4	+40·2	+14·4	− 1·0	+ 7·9	+ 1·0	+ 6·1	+10·4	..	+14·0
O	+ 6·5	+25·8	+ 4·1	− 3·4	+43·8	+14·5	− 0·1	+ 7·9	+ 0·4	+ 6·1	+11·6	..	+13·6
N	+ 6·5	+20·5	+ 3·6	− 5·1	+46·6	+14·3	+ 1·5	+ 7·9	− 0·4	+10·0	+16·0	..	+13·4
D	+ 6·7	+12·5	+ 3·7	− 6·2	+43·8	+13·8	+ 3·4	+ 8·1	− 0·9	+12·8	+13·0	..	+13·5
1979 J	+ 5·8	+ 7·9	+ 1·4	− 6·4	+38·4	+12·8	+ 5·7	+ 8·6	− 2·2	+11·5	+ 9·4	..	+13·7
F	+ 4·9	+ 3·1	+ 1·2	+ 5·4	+31·1	+13·3	+ 7·6†	+ 9·1	+ 2·8			..	+13·6
M	+ 3·7†	+ 2·4		− 4·2	+25·0	+13·8[8]	+ 8·5[8]	+ 9·6	− 2·0			..	+12·9
A	+ 4·6[8]			− 4·1	+22·4		+ 8·7[8]	+ 9·8	+ 1·9				+12·1
M				− 4·5[8]	+22·1[8]								
J													

[1] Data given may not be wholly consistent with that shown elsewhere in the publication.
[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.
[3] See footnote [2] on page 12.
[4] All industries covered.
[5] Unemployed excluding school-leavers.
[6] Vacancies notified to employment offices.
[7] Purchased by manufacturing industry.
[8] Provisional.

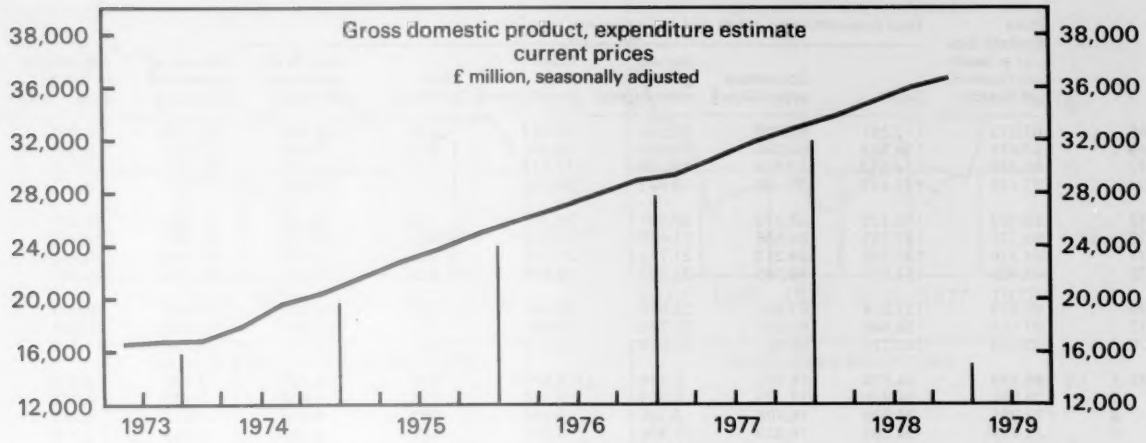
Tables and charts

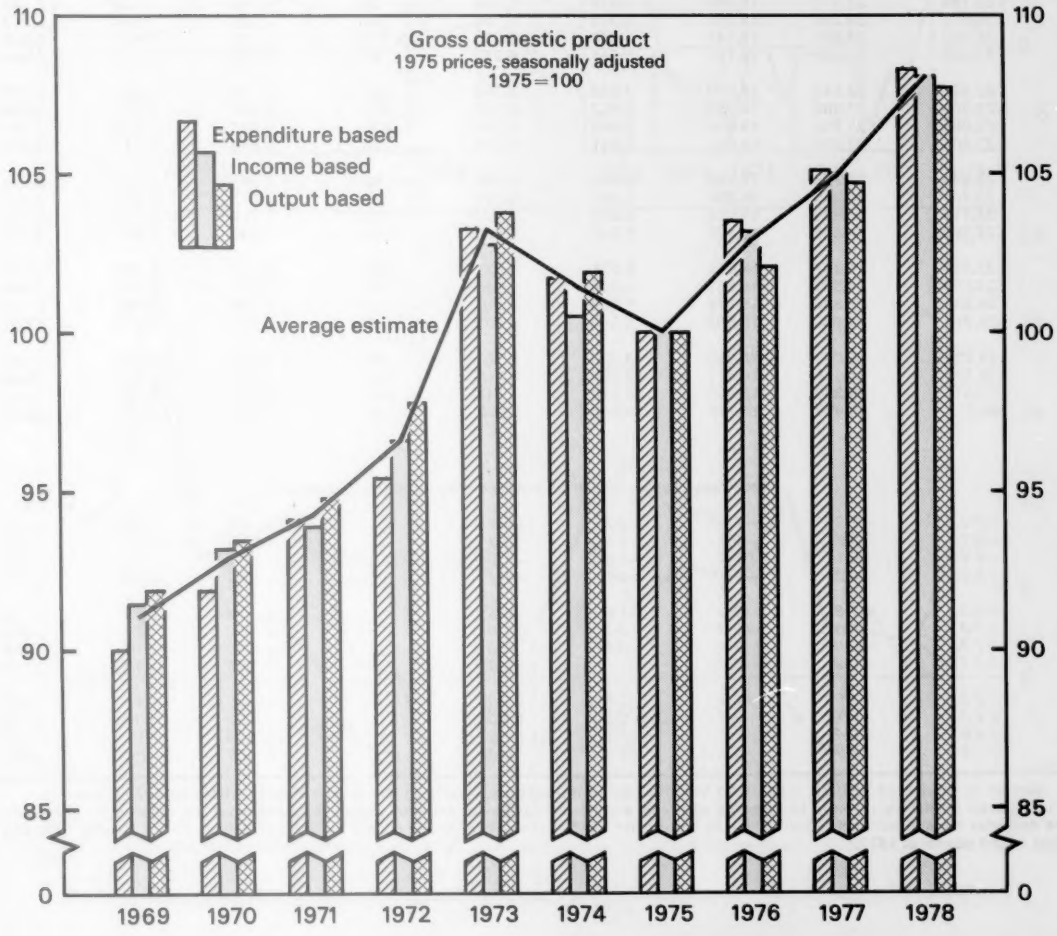
Gross domestic product at factor cost, total home costs and national disposable income revalued at 1975 market prices[1]

Seasonally adjusted

	Gross domestic product at factor cost									Implied Index of total home costs	National disposable income[2]
	At current prices				At 1975 factor cost						At 1975 market prices
	£ million		1975 =100		£ million	1975 =100				1975 =100	1975 =100
	Based on:		Based on:		Based on:	Based on:				Based on:	
	expenditure data	income data	expenditure data	income data	expenditure data	expenditure data §	income data[3] §	output data §	Average estimate §	expenditure data	Average estimate
1968	37,411	37,183	40·3	40·4	81,913	88·3	88·4	90·1	88·9	45·7	91·8
1969	39,453	39,890	42·5	43·3	83,415	90·0	91·5	91·9	91·1	47·3	94·4
1970	43,445	43,794	46·8	47·5	85,210	91·9	93·2	93·4	92·9	51·0	96·9
1971	49,264	48,857	53·1	53·0	87,242	94·1	93·9	94·8	94·3	56·4	98·8
1972	54,996	55,289	59·3	60·0	88,496	95·4	96·6	97·8	96·6	62·1	101·6
1973	64,031	63,304	69·0	68·7	95,775	103·3	102·8	103·8	103·3	66·9	106·4
1974	73,864	72,520	79·7	78·7	94,326	101·7	100·5	101·9	101·4	78·3	100·5
1975	92,720	92,119	100·0	100·0	92,720	100·0	100·0	100·0	100·0	100·0	100·0
1976	109,356	108,328	117·9	117·6	95,979	103·5	103·2	102·1	102·9	113·9	102·8
1977	123,813	122,889	133·5	133·4	97,504	105·1	105·0	104·6	104·9	126·9	103·9
1978	140,740	139,539	151·8	151·5	100,473	108·3	108·1	107·7	108·1	140·0	108·0
1973 *3*	16,150	16,100	69·6	69·9	23,951	103·3	103·7	104·0	103·7	67·4	104·9
4	16,574	16,349	71·5	71·0	23,619	101·9	101·2	103·6	102·2	70·2	
1974 *1*	16,594	15,959	71·6	69·3	23,169	100·0	96·8	100·1	99·0	71·6	100·0
2	17,653	17,295	76·2	75·1	23,723	102·3	101·0	103·0	102·1	74·4	
3	19,504	19,160	84·1	83·2	24,088	103·9	102·9	103·2	103·3	81·0	100·9
4	20,113	20,106	86·8	87·3	23,346	100·7	101·4	101·4	101·2	86·2	
1975 *1*	21,446	21,180	92·5	92·0	23,081	99·6	99·0	101·3	100·0	92·9	100·1
2	22,747	22,521	98·1	97·8	23,250	100·3	100·0	99·8	100·0	97·8	
3	23,554	23,467	101·6	101·9	22,882	98·7	99·0	99·1	98·9	102·9	99·9
4	24,973	24,951	107·8	108·3	23,507	101·4	102·0	99·8	101·1	106·3	
1976 *1*	25,873	25,450	111·6	110·5	23,845	102·9	101·8	101·0	101·9	108·5	102·5
2	26,716	26,678	115·3	115·8	23,761	102·5	103·0	101·7	102·4	112·4	
3	27,827	27,606	120·0	119·9	24,113	104·0	103·9	101·8	103·3	115·4	103·2
4	28,940	28,594	124·9	124·2	24,260	104·7	104·1	103·9	104·2	119·3	
1977 *1*	29,297	29,227	126·4	126·9	23,954	103·3	103·7	104·5	103·8	122·3	102·7
2	30,169	30,378	130·1	131·9	24,099	104·0	105·4	104·2	104·5	125·2	
3	31,770	31,110	137·1	135·1	24,533	105·8	104·3	104·8	105·0	129·5	105·2
4	32,577	3,2174	140·5	139·7	24,918	107·5	106·8	105·1	106·5	130·7	
1978 *1*	33,618	33,000	145·0	143·3	24,709	106·6	105·3	105·9	105·9	136·1	107·1
2	34,651	34,499	149·5	149·8	25,131	108·4	108·7	108·0	108·4	137·9	
3	35,965	35,644	155·2	154·8	25,411	109·6	109·4	108·6	109·2	141·5	108·9
4	36,506	36,396	157·5	158·0	25,222	108·8	109·2	108·3	108·8	144·7	
	Percentage change, period on corresponding period of previous year										
1976 *3*	*+18·1*	*+17·6*	*+18·1*	*+17·6*	*+5·4*	*+5·4*	*+4·9*	*+2·7*	*+4·4*	*+12·2*	*+3·3*
4	*+15·9*	*+14·6*	*+15·9*	*+14·6*	*+3·2*	*+3·2*	*+2·1*	*+4·1*	*+3·1*	*+12·2*	
1977 *1*	*+13·2*	*+14·8*	*+13·2*	*+14·8*	*+0·5*	*+0·5*	*+1·9*	*+3·5*	*+1·9*	*+12·7*	*+0·2*
2	*+12·9*	*+13·9*	*+12·9*	*+13·9*	*+1·4*	*+1·4*	*+2·3*	*+2·5*	*+2·1*	*+11·4*	
3	*+14·2*	*+12·7*	*+14·2*	*+12·7*	*+1·7*	*+1·7*	*+0·4*	*+2·9*	*+1·6*	*+12·2*	*+1·9*
4	*+12·6*	*+12·5*	*+12·6*	*+12·5*	*+2·7*	*+2·7*	*+2·6*	*+1·2*	*+2·2*	*+ 9·6*	
1978 *1*	*+14·7*	*+12·9*	*+14·7*	*+12·9*	*+3·2*	*+3·2*	*+1·5*	*+1·3*	*+2·0*	*+11·3*	*+4·3*
2	*+14·9*	*+13·6*	*+14·9*	*+13·6*	*+4·3*	*+4·3*	*+3·1*	*+3·6*	*+3·7*	*+10·1*	
3	*+13·2*	*+14·6*	*+13·2*	*+14·6*	*+3·6*	*+3·6*	*+4·9*	*+3·6*	*+4·0*	*+ 9·3*	*+3·5*
4	*+12·1*	*+13·1*	*+12·1*	*+13·1*	*+1·2*	*+1·2*	*+2·2*	*+3·0*	*+2·2*	*+10·7*	

[1] The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Introduced in an article on page xxviii *Economic Trends*, No. 255, January 1975.
[3] Income data deflated by the implied index of total home costs.


Gross domestic product, expenditure estimate
current prices
£ million, seasonally adjusted
38,000
36,000
32,000
28,000
24,000
20,000
16,000
12,000
1973
1974
1975
1976
1977
1978
1979


Gross domestic product
1975 prices, seasonally adjusted
1975=100
Expenditure based
Income based
Output based
Average estimate
110
105
100
95
90
85
0
1969
1970
1971
1972
1973
1974
1975
1976
1977
1978

Expenditure on the gross domestic product

Seasonally adjusted

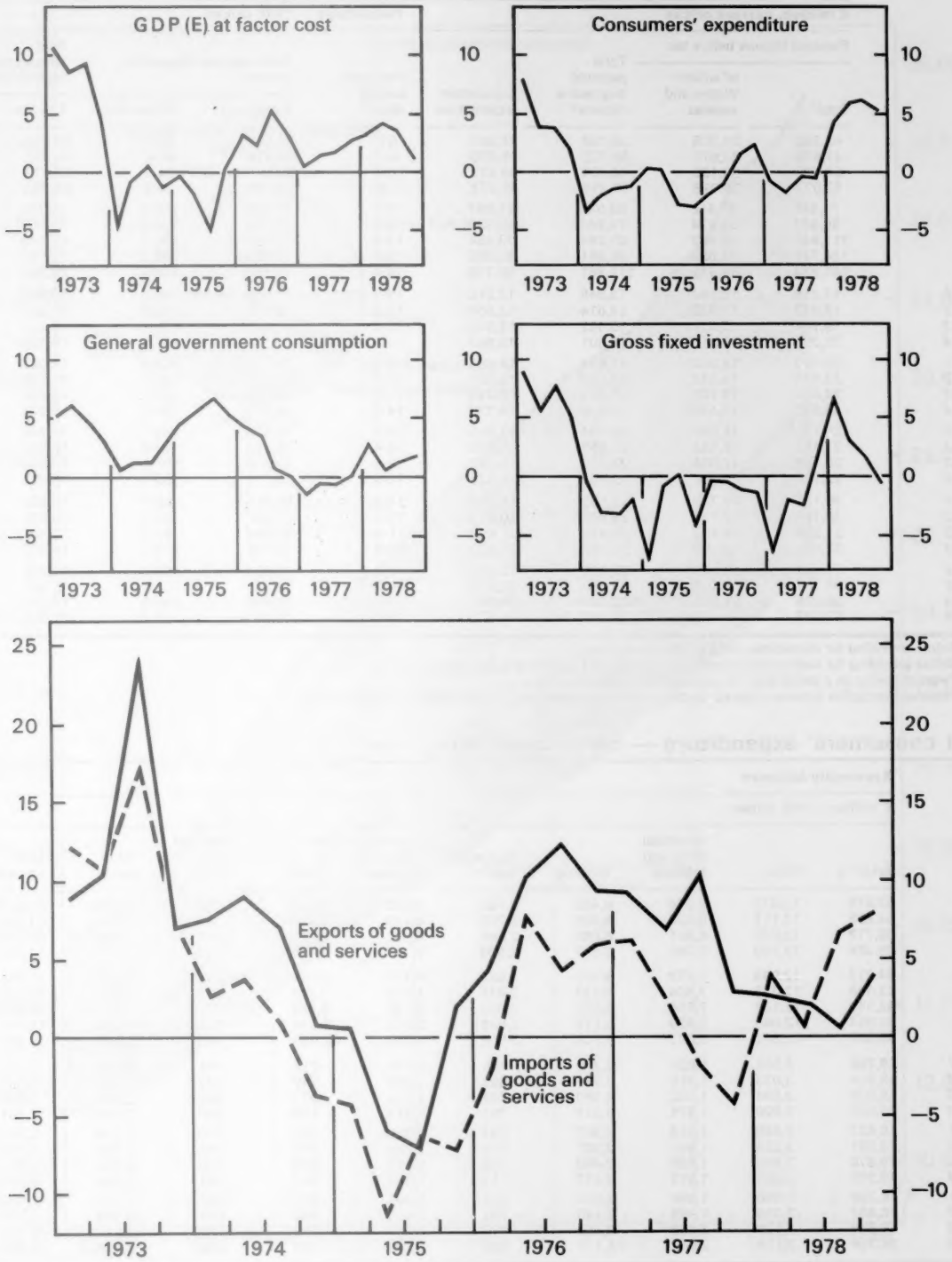
£ million, 1975 prices

	Gross domestic product at factor cost (expenditure based)[1]	Final expenditure on goods and services at market prices							
		Total[1]	Consumers' expenditure§	General government consumption	Gross fixed investment[2]§	Stock building§	Exports of goods and services§	Imports of goods and services[2]§	Adjustment to factor cost
1968	81,913	113,251	55,716	19,165	19,287	920	18,498	22,222	8,870
1969	83,415	115,293	56,094	18,808	19,360	951	20,321	22,936	8,838
1970	85,210	118,642	57,516	19,076	19,845	979	21,437	24,147	9,179
1971	87,242	122,187	59,295	19,642	20,209	235	23,007	25,307	9,527
1972	88,496	126,723	62,772	20,451	20,242	73	23,293	27,773	10,257
1973	95,775	137,751	65,586	21,426	21,609	2,983	26,147	31,043	10,933
1974	94,326	136,307	64,212	21,742	21,173	1,462	27,718	31,329	10,652
1975	92,720	132,201	63,385	22,962	20,536	−1,625	26,943	29,028	10,453
1976	95,979	137,024	63,540	23,464	20,395	260	29,365	30,185	10,860
1977	97,504	138,685	62,954	23,283	19,961	978	31,509	30,353	10,828
1978	100,473	143,710	66,397	23,626	20,514	962	32,211	31,793	11,444
1973 *1*	24,339	34,574	16,582	5,328	5,534	865	6,265	7,520	2,715
2	23,866	34,278	16,275	5,318	5,320	915	6,450	7,642	2,770
3	23,951	34,516	16,406	5,384	5,399	682	6,645	7,823	2,742
4	23,619	34,383	16,323	5,396	5,356	521	6,787	8,058	2,706
1974 *1*	23,169	33.617	15,993	5,376	5,534	− 29	6,743	7,725	2,723
2	23,723	34,258	15,952	5,374	5,158	749	7,025	7,928	2,607
3	24,088	34,651	16,147	5,441	5,229	719	7,115	7,905	2,658
4	23,346	33,781	16,120	5,551	5,252	23	6,835	7,771	2,664
1975 *1*	23,081	33,147	16,063	5,625	5,146	− 463	6,776	7,396	2,670
2	23,250	32,900	16,000	5,687	5,122	− 510	6,601	7,015	2,635
3	22,882	32,868	15,690	5,809	5,242[2]	− 476	6,603	7,405[2]	2,581
4	23,507	33,286	15,632	5,841	5,026	− 176	6,963	7,212	2,567
1976 *1*	23,845	33,762	15,765	5,862	5,156	− 88	7,067	7,249	2,668
2	23,761	34,045	15,834	5,901	5,107[2]	− 74	7,277	7,569[2]	2,715
3	24,113	34,543	15,934	5,856	5,177[2]	163	7,413	7,723[2]	2,707
4	24,260	34,674	16,007	5,845	4,955	259	7,608	7,644	2,770
1977 *1*	23,954	34,357	15,622	5,771	4,821	430	7,713	7,695	2,708
2	24,099	34,502	15,551	5,858	5,010[2]	293	7,790	7,757[2]	2,646
3	24,533	34,846	15,876	5,809	5,057	− 70	8,174	7,582	2,731
4	24,918	34,980	15,905	5,845	5,073	325	7,832	7,319	2,743
1978 *1*	24,709	35,577	16,296	5,923	5,151	291	7,916	8,003	2,865
2	25,131	35,775	16,487	5,887	5,161	280	7,960	7,796	2,848
3	25,411	36,380	16,858	5,873	5,147	302	8,200	8,088	2,881
4	25,222	35,978	16,756	5,943	5,055	89	8,135	7,906	2,850
		Percentage change, quarter on corresponding quarter of previous year							
1976 *1*	*+3·3*	*+1·9*	*−1·9*	*+4·2*	*+0·2*	..	*+ 4·3*	*−2·0*	*−0·1*
2	*+2·2*	*+3·5*	*−1·0*	*+3·8*	*−0·3*	..	*+10·2*	*+7·9*	*+3·0*
3	*+5·4*	*+5·1*	*+1·6*	*+0·8*	*−1·2*	..	*+12·3*	*+4·3*	*+4·9*
4	*+3·2*	*+4·2*	*+2·4*	*+0·1*	*−1·4*	..	*+ 9·3*	*+6·0*	*+7·9*
1977 *1*	*+0·5*	*+1·8*	*−0·9*	*−1·6*	*−6·5*	..	*+ 9·1*	*+6·2*	*+1·5*
2	*+1·4*	*+1·3*	*−1·8*	*−0·7*	*−1·9*	..	*+ 7·0*	*+2·5*	*−2·5*
3	*+1·7*	*+0·9*	*−0·4*	*−0·8*	*−2·3*	..	*+10·3*	*−1·8*	*+0·9*
4	*+2·7*	*+0·9*	*−0·6*	*—*	*+2·4*	..	*+ 2·9*	*−4·3*	*−1·0*
1978 *1*	*+3·2*	*+3·6*	*+4·3*	*+2·6*	*+6·8*	..	*+ 2·6*	*+4·0*	*+5·8*
2	*+4·3*	*+3·7*	*+6·0*	*+0·5*	*+3·0*	..	*+ 2·2*	*+0·5*	*+7·6*
3	*+3·6*	*+4·4*	*+6·2*	*+1·1*	*+1·8*	..	*+ 0·3*	*+6·7*	*+5·5*
4	*+1·2*	*+2·9*	*+5·4*	*+1·7*	*−0·4*	..	*+ 3·9*	*+8·0*	*+3·9*

[1] For years up to and including 1972, totals differ from the sum of the components due to the method used to rebase on 1975 prices.

[2] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £200 million in 3rd quarter 1975, £150 million in 2nd quarter 1976, £125 million in 3rd quarter 1976 and £225 million in 2nd quarter of 1977.

1975 prices, seasonally adjusted, percentage change on year earlier



Personal disposable income and consumption

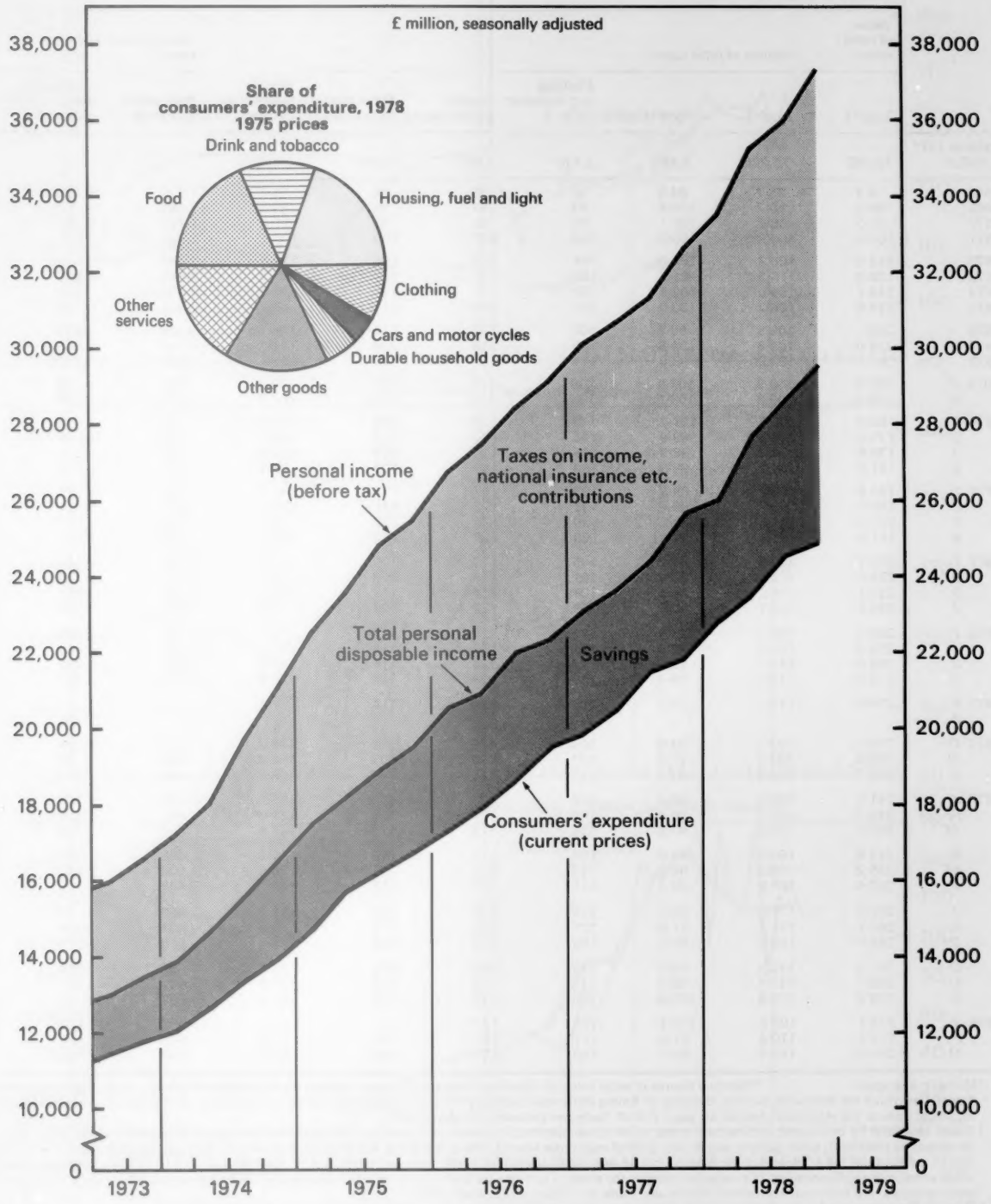
	Seasonally adjusted							
	£ million, current prices				Percentage	1975 prices		
	Personal income before tax					Real personal disposable income [4]		Real consumers' expenditure §
	Total [1]	*of which:* Wages and salaries	Total personal disposable income [2]	Consumers' expenditure	Personal saving ratio [3]	£ million §	1975=100	£ million
1970	43,260	26,975	34,738	31,660	8·9	63,108	84·9	57,516
1971	47,979	29,676	38,723	35,370	8·7	64,916	87·4	59,295
1972	54,486	33,136	44,504	39,889	10·4	70,034	94·3	62,772
1973	63,077	38,018	51,214	45,272	11·6	74,194	99·9	65,586
1974	76,046	45,916	60,545	51,997	14·1	74,768	100·6	64,212
1975	96,357	58,974	74,286	63,385	14·7	74,286	100·0	63,385
1976	111,847	66,932	85,884	73,464	14·5	74,282	100·0	63,540
1977	124,771	73,523	96,861	83,585	13·7	72,953	98·2	62,954
1978	141,984	83,372	111,881	95,738	14·4	77,593	104·4	66,397
1974 *1*	17,218	10,197	13,848	12,018	13·2	18,438	99·3	15,993
2	18,033	10,928	14,614	12,665	13·3	18,416	99·2	15,952
3	19,704	11,876	15,582	13,347	14·4	18,860	101·5	16,147
4	21,091	12,915	16,501	13,967	15·4	19,054	102·6	16,120
1975 *1*	22,499	13,904	17,534	14,683	16·3	19,173	103·2	16,063
2	23,534	14,347	18,262	15,727	13·9	18,570	100·0	16,000
3	24,801	15,153	18,955	16,223	14·4	18,323	98·7	15,690
4	25,523	15,570	19,535	16,752	14·2	18,220	98·1	15,632
1976 *1*	26,770	15,999	20,594	17,360	15·7	18,693	100·7	15,765
2	27,463	16,545	20,959	17,932	14·4	18,498	99·6	15,834
3	28,434	17,024	22,022	18,640	15·4	18,816	101·3	15,934
4	29,180	17,364	22,309	19,532	12·5	18,275	98·4	16,007
1977 *1*	30,121	17,746	23,100	19,810	14·3	18,216	98·1	15,622
2	30,726	18,195	23,659	20,479	13·4	17,965	96·7	15,551
3	31,334	18,483	24,410	21,496	11·9	18,028	97·1	15,876
4	32,590	19,099	25,692	21,800	15·2	18,744	100·9	15,905
1978 *1*	33,455	19,648	25,996	22,802	12·3	18,584	100·1	16,296
2	35,267	20,708	27,680	23,474	15·2	19,446	104·7	16,487
3	35,925	21,225	28,649	24,591	14·2	19,645	105·8	16,858
4	37,337	21,791	29,556	24,871	15·8	19,918	107·2	16,756

[1] Before providing for depreciation and stock appreciation.
[2] Before providing for depreciation, stock appreciation and additions to tax reserves.
[3] Personal saving as a percentage of personal disposable income.
[4] Personal disposable income revalued by the implied consumers' expenditure deflator (1975=100).

Real consumers' expenditure — component categories

	Seasonally adjusted									
	£ million, 1975 prices									
	Total [1] §	Food	Alcoholic drink and tobacco	Housing	Fuel and light	Clothing including footwear	Durable household goods	Cars and motor cycles	Other goods	Other services
1970	57,516	12,072	6,374	8,488	2,782	4,635	2,229	1,759	8,683	10,810
1971	59,295	12,117	6,520	8,696	2,752	4,715	2,430	2,345	8,966	11,032
1972	62,772	12,025	6,961	8,890	2,854	4,962	2,988	2,811	9,855	11,568
1973	65,586	12,210	7,694	9,047	2,930	5,181	3,400	2,668	10,629	11,827
1974	64,212	12,099	7,777	9,107	2,983	5,107	3,241	1,731	10,647	11,520
1975	63,385	12,072	7,604	9,222	2,916	5,170	3,204	1,816	10,358	11,023
1976	63,540	12,189	7,664	9,391	2,894	5,194	3,384	1,977	10,475	10,372
1977	62,954	12,049	7,460	9,571	2,964	5,315	3,194	1,920	10,170	10,311
1978	66,397	12,312	8,063	9,783	3,019	5,840	3,529	2,492	10,518	10,841
1976 *1*	15,765	3,042	1,831	2,319	760	1,271	813	494	2,611	2,624
2	15,834	3,033	1,910	2,341	689	1,304	839	472	2,639	2,607
3	15,934	3,094	1,952	2,360	702	1,306	873	482	2,605	2,560
4	16,007	3,020	1,971	2,371	743	1,313	859	529	2,620	2,581
1977 *1*	15,622	2,949	1,818	2,367	737	1,318	787	510	2,576	2,560
2	15,551	3,024	1,831	2,387	765	1,288	771	454	2,463	2,568
3	15,876	2,995	1,898	2,400	749	1,350	819	515	2,563	2,587
4	15,905	3,081	1,913	2,417	713	1,359	817	441	2,568	2,596
1978 *1*	16,296	3,036	1,994	2,407	759	1,397	847	597	2,579	2,680
2	16,487	3,019	1,989	2,440	762	1,415	864	637	2,626	2,735
3	16,858	3,128	2,038	2,459	770	1,507	910†	684	2,658	2,704
4	16,756	3,129	2,042	2,477	728	1,521	908	574	2,655	2,722

[1] For the years prior to 1973 the total differs from the sum of the components due to the method of rebasing to 1975 prices.


£ million, seasonally adjusted
38,000
36,000
34,000
32,000
30,000
28,000
26,000
24,000
22,000
20,000
18,000
16,000
14,000
12,000
10,000
0
Share of consumers' expenditure, 1978 1975 prices
Drink and tobacco
Food
Housing, fuel and light
Clothing
Other services
Cars and motor cycles
Durable household goods
Other goods
Personal income (before tax)
Taxes on income, national insurance etc., contributions
Total personal disposable income
Savings
Consumers' expenditure (current prices)
1973
1974
1975
1976
1977
1978
1979

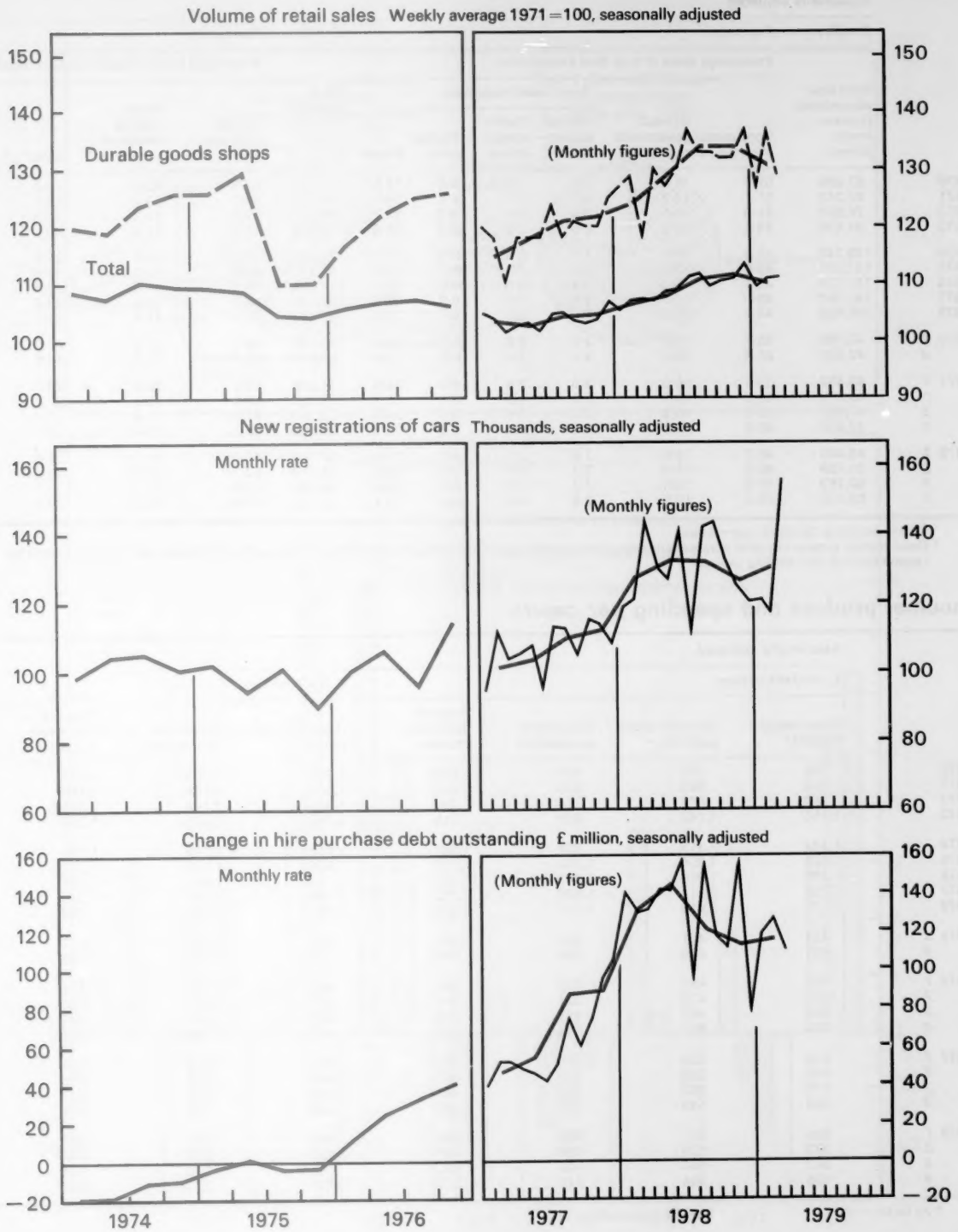
Retail sales, new registrations of cars and hire purchase debt (Great Britain)

	Seasonally adjusted								
	Weekly average 1971=100						Thousands[1]	£ million	
	Value of retail sales[2]	Volume of retail sales[2]						Hire purchase and other credit[3]	
	Total[4] §	Total[4] §	Food shops[4] §	Clothing and footwear shops §	Durable goods shops §	Other non-food shops §	New registrations of cars §	New credit extended	Changes in debt outstanding
Sales in 1971 £ million	*16,296*	*16,296*	*6,866*	*2,436*	*1,897*	*5,097*			
1968	79·3	95·7	98·9	93	89	95	93·1	1,637	+ 56
1969	84·0	96·2	100·5	93	87	95	82·3	1,584	− 11
1970	91·0	98·4	101·1	97	91	98	91·4	1,767	+ 92
1971	100·0	100·0	100·0	100	100	100	108·5	2,036	+251
1972	112·0	105·3	101·6	104	113	108	138·6	2,466	+438
1973	126·9	110·3	101·6	108	127	117	137·1	2,846	+444
1974	146·7	109·0	102·4	106	122	115	102·8	2,508	−164
1975	174·4	106·7	100·0	106	119	111	97·2	2,981	− 13
1976	200·1	106·5	98·7	106	122	111	104·7	3,586	+343
1977	228·0	103·6	94·8	105	119	109	107·1	4,392	+625
1978	260·1	109·2	98·0	114	130	114	130·1	5,996	+1,561†
1974 *3*	151·0	110·3	103·9	108	124	115	106·0	651	− 28
4	158·0	109·8	103·1	106	126	115	101·3	674	− 25
1975 *1*	165·2	109·5	101·7	109	126	114	103·0	710	− 6
2	175·0	108·5	99·9	106	130	113	94·0	752	+ 9
3	176·6	104·3	98·9	105	110	109	102·0	749	− 9
4	181·5	104·2	99·3	103	110	109	89·9	770	− 7
1976 *1*	189·6	105·9	99·5	105	117	111	100·7	833	+ 37
2	196·0	106·7	99·4	106	122	111	107·1	872	+ 79
3	203·2	107·2	99·1	106	125	112	95·5	913	+100
4	211·6	106·1	96·8	105	126	112	115·3	968	+127
1977 *1*	216·7	103·3	94·9	105	115	109	101·6	1,007	+144
2	222·0	102·4	94·4	101	118	108	103·6	1,102	+223
3	233·7	104·2	94·3	107	121	110	110·3	1,203	+267
4	239·6	104·7	95·6	109	122	109	112·8	1,278	+274
1978 *1*	246·4	106·4	96·6	111	124	111	128·2	1,373	+403†
2	254·4	107·9	97·8	111	129	113	132·9	1,506	+443
3	266·6	110·7	98·1	117	134	116	132·5	1,541	+368
4	273·0	111·7	99·4	119	134	116	126·8	1,576	+347
1979 *1*	276·4	110·3	99·9	116	131	114	131·4		
2									
1977 *O*	234·7	103·1	94·5	104	120	108	116·0	400	+ 74
N	236·8	103·6	94·5	107	120	108	114·2	432	+ 95
D	245·6	106·9	97·4	113	125	110	108·2	446	+105
1978 *J*	241·7	105·3	95·4	107	127	110	119·1	462	+141
F	246·3	106·7	96·7	109	129	111	121·0	452	+130
M	250·1	107·2	97·5	116	118	112	144·6	459	+132
A	249·8	106·9	96·6	108	130	112	130·4	498	+143
M	255·2	108·2	98·3	113	127	112	126·6	507	+142
J	257·4	108·6	98·3	111	130	113	141·7	499	+158
J	265·0	111·0	98·2	116	137	116	111·3	490	+ 96
A	269·2	111·7	97·8	121	133	118	142·4	536	+155
S	265·9	109·6	98·2	115	133	114	144·0	516	+117
O	267·9	110·2	98·3	115	132	116	133·3	508	+112
N	269·7	110·5	98·6	115	132	116	126·3	561	+157
D	279·8	113·8	100·9	126	137	117	120·9	507	+ 78
1979 *J*	273·1	109·6	103·6	109	127	111	121·1	525	+119
F	275·4	110·4	97·0	117	137	116	117·0	531	+127
M	279·8	110·8	99·3	120	129	115	156·0	530	+108

[1] Monthly averages. [2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1975 is exceptionally a five-week period. Further details are given in the technical note to the retail sales figures on page 716 of *Trade and Industry*, 14 March 1975.

[3] Credit extended by and repaid to finance houses, other consumer credit grantors and retailers, i.e. durable goods shops, department stores (including co-operative societies), other general stores and general mail order houses. There is a break in the series between the first and second quarters of 1977 due to a change in the coverage of the finance house and other consumer credit grantors series. Up to the first quarter of 1977 the series excludes 'other consumer credit grantors' but includes charges for credit. From the second quarter of 1977 charges for credit are excluded but 'other consumer credit grantors' are included. For further details see *Trade and Industry*, 12 April 1979.

[4] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.


Volume of retail sales Weekly average 1971 = 100, seasonally adjusted
Durable goods shops
Total
(Monthly figures)
150
140
130
120
110
100
90
New registrations of cars Thousands, seasonally adjusted
Monthly rate
(Monthly figures)
160
140
120
100
80
60
Change in hire purchase debt outstanding £ million, seasonally adjusted
Monthly rate
(Monthly figures)
160
140
120
100
80
60
40
20
0
– 20
1974
1975
1976
1977
1978
1979

Shares of income and expenditure

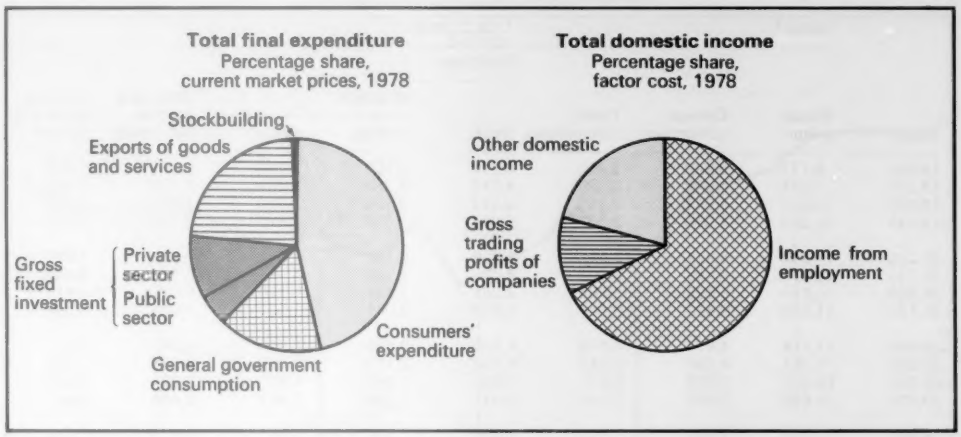
	Seasonally adjusted										
	£ million	Per cent						£ million	Per cent		
		Percentage share of total final expenditure							Percentage share of total domestic income		
	Total final expenditure (current market prices)	Consumers' expenditure	General government consumption	Gross fixed investment: General government	Gross fixed investment: Public corporations	Gross fixed investment: Private sector	Exports	Total domestic income (current prices)[1]	Income from employment	Gross trading profits of companies[1]	Other[1], [2]
1970	62,099	51·0	14·4	3·9	2·7	8·6	18·5	44,832	67·8	13·2	19·0
1971	69,242	51·1	14·7	3·7	2·7	8·8	18·7	49,998	67·3	13·4	19·3
1972	76,854	51·9	15·1	3·6	2·3	9·2	17·7	56,577	67·0	13·2	19·8
1973	91,676	49·4	14·5	4·0	2·3	9·2	18·8	66,298	65·7	13·5	20·8
1974	109,748	47·4	15·1	4·0	2·6	8·8	20·9	78,725	66·9	12·1	20·9
1975	132,201	48·0	17·4	3·8	3·1	8·7	20·4	97,839	69·8	10·3	19·8
1976	159,275	46·1	16·8	3·4	2·9	8·5	22·1	114,953	68·1	11·2	20·7
1977	183,397	45·6	15·9	2·6	2·5	8·9	23·7	128,085	67·0	12·1	20·8
1978	206,400	46·4	15·8	2·2	2·3	9·7	23·0	143,853	67·6	11·6	20·7
1976 *3*	40,799	45·7	16·6	3·2	2·8	8·8	22·2	29,272	68·1	11·0	20·9
4	42,681	45·8	16·2	3·1	2·8	8·3	22·9	30,517	66·7	12·5	20·8
1977 *1*	43,492	45·6	16·0	3·0	2·6	8·3	23·6	31,326	66·2	13·1	20·7
2	45,279	45·2	16·1	2·6	2·5	9·0	23·7	31,684	67·0	12·2	20·8
3	47,050	45·7	15·8	2·5	2·6	9·0	24·3	32,259	67·0	11·8	21·2
4	47,576	45·8	15·7	2·5	2·5	9·3	23·3	32,816	67·9	11·4	20·7
1978 *1*	49,440	46·1	16·0	2·4	2·3	9·8	22·9	33,787	67·8	11·4	20·8
2	50,759	46·3	15·8	2·2	2·4	9·7	23·0	35,676	67·7	11·6	20·7
3	52,753	46·6	15·5	2·2	2·3	9·6	23·0	36,665	67·5	11·8	20·7
4	53,448	46·5	15·9	2·0	2·3	9·7	23·1	37,725	67·4	11·8	20·8

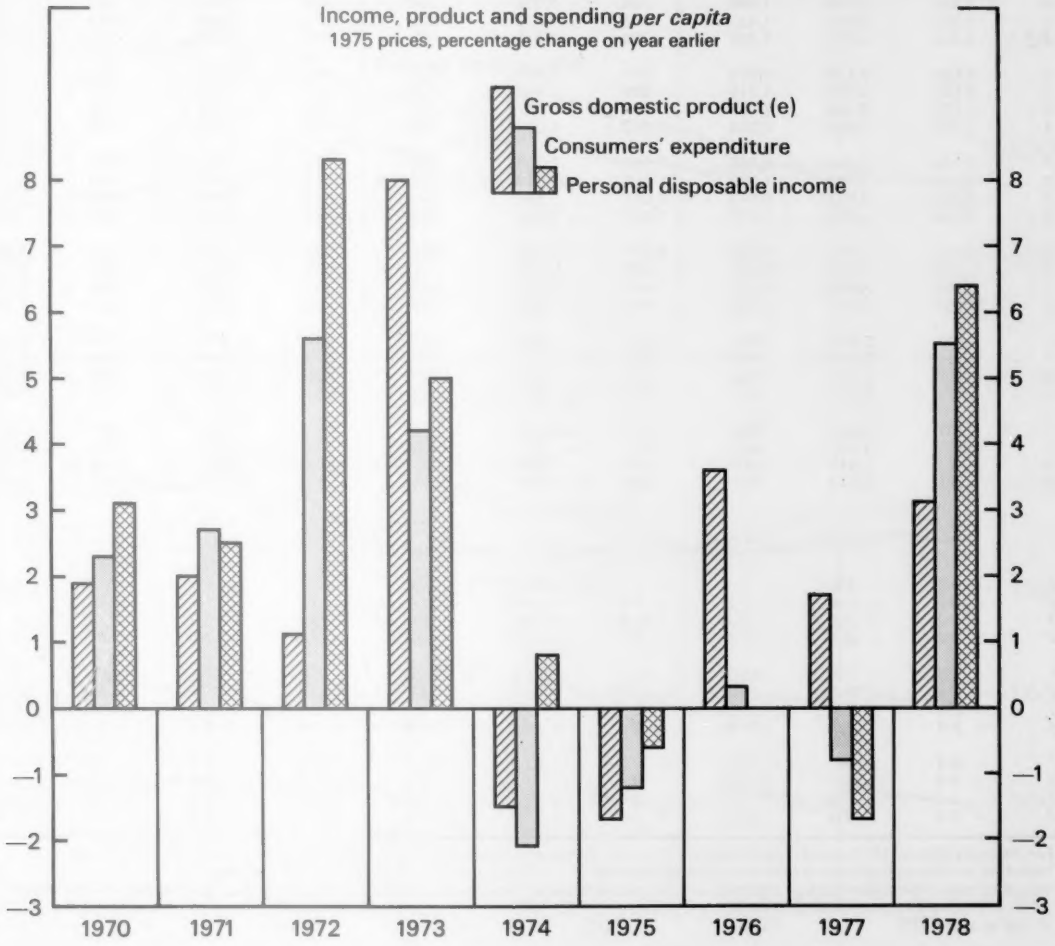
[1] Before providing for stock appreciation.
[2] Gross trading surplus of public corporations and general government enterprises, income from rent and self-employment, and imputed charge for consumption of non-trading capital.

Income, product and spending *per capita*

	Seasonally adjusted						
	£, current prices				£, 1975 prices		
	Gross national product[1]	Gross domestic product[1], [2]	Consumers' expenditure	Personal disposable income	Gross domestic product[1], [2]	Consumers' expenditure	Personal disposable income
1970	793	782	570	626	1,535	1,036	1,137
1971	893	884	635	695	1,566	1,064	1,165
1972	994	984	714	797	1,584	1,124	1,254
1973	1,165	1,143	808	915	1,710	1,171	1,325
1974	1,342	1,319	928	1,081	1,684	1,146	1,335
1975	1,670	1,656	1,132	1,327	1,656	1,132	1,327
1976	1,978	1,954	1,313	1,535	1,715	1,135	1,327
1977	2,221	2,214	1,495	1,732	1,744	1,126	1,305
1978	2,529	2,519	1,714	2,003	1,798	1,188	1,389
1975 *3*	424	421	290	339	409	280	327
4	451	446	299	349	420	279	326
1976 *1*	467	462	310	368	426	281	334
2	483	478	321	374	425	283	330
3	504	497	333	394	431	285	336
4	524	517	349	399	433	286	327
1977 *1*	526	524	354	413	428	279	326
2	541	539	366	423	431	278	321
3	570	568	385	437	439	284	323
4	584	583	390	459	446	285	335
1978 *1*	604	601	408	465	442	291	332
2	623	620	420	496	450	295	348
3	647	644	440	513	455	302	352
4	655	654	446	529	451	300	357

[1] At factor cost.
[2] Based on expenditure data.


Total final expenditure
Percentage share, current market prices, 1978
Stockbuilding
Exports of goods and services
Gross fixed investment
Private sector
Public sector
Consumers' expenditure
General government consumption
Total domestic income
Percentage share, factor cost, 1978
Other domestic income
Gross trading profits of companies
Income from employment


Income, product and spending *per capita*
1975 prices, percentage change on year earlier
Gross domestic product (e)
Consumers' expenditure
Personal disposable income
8
7
6
5
4
3
2
1
0
—1
—2
—3
1970
1971
1972
1973
1974
1975
1976
1977
1978

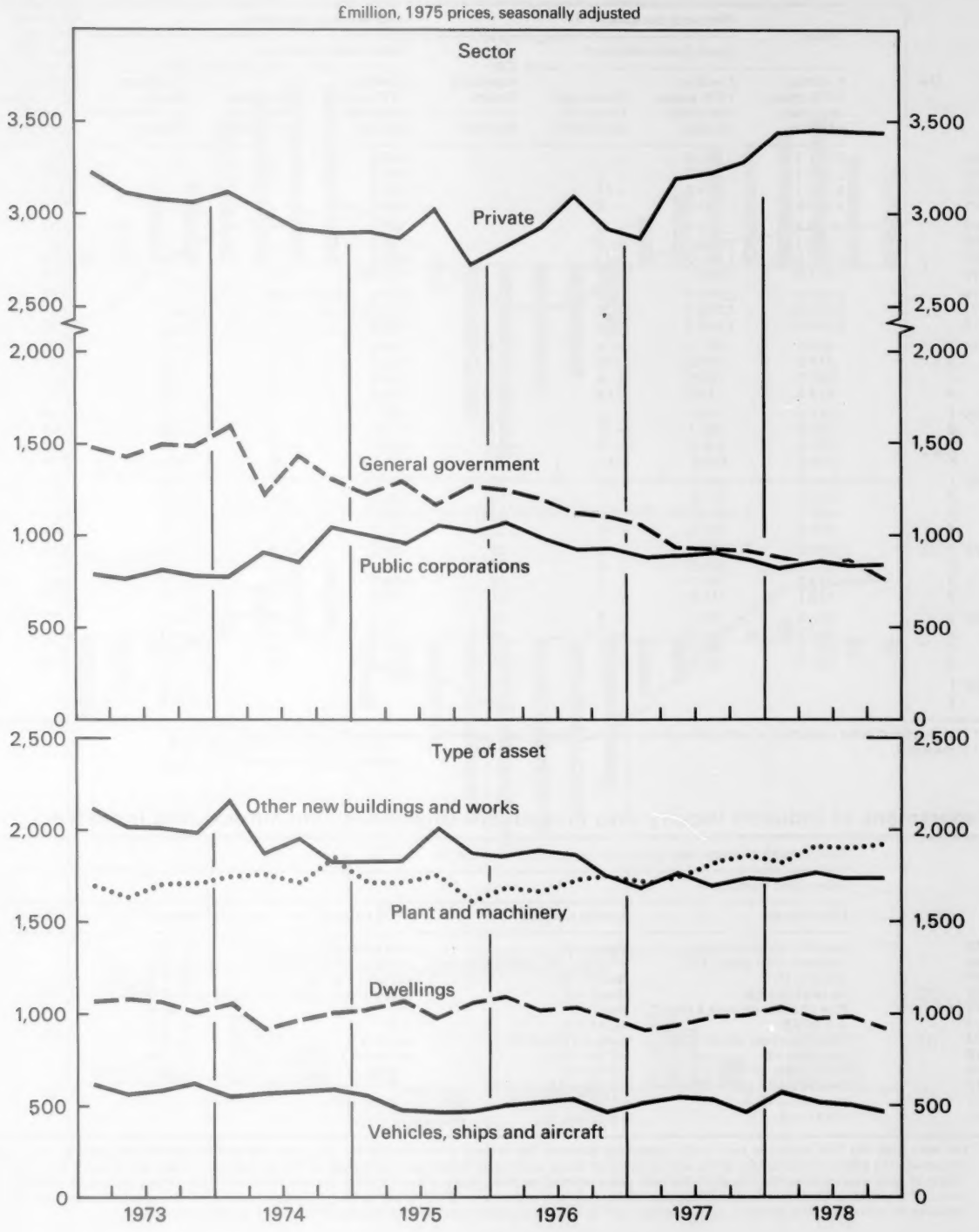
Gross domestic fixed capital formation by sector and by type of asset

Seasonally adjusted

£ million, 1975 prices[1]

		Sector[2]			Type of asset					
					Dwellings					
						of which:		Other new building and works[3]	Vehicles, ships and aircraft	Plant and machinery
	Total §	Private sector	General government	Public corporations	Total	Private	Public			
1967	18,440	9,132	5,340	3,992	4,312	2,187	2,140	6,931	1,402	5,889
1968	19,287	9,984	5,608	3,726	4,515	2,285	2,243	7,279	1,730	5,891
1969	19,360	10,607	5,511	3,263	4,317	2,134	2,194	7,368	1,700	6,071
1970	19,845	10,869	5,599	3,392	3,967	2,006	1,972	7,653	1,825	6,402
1971	20,209	11,360	5,421	3,411	4,218	2,401	1,822	7,885	1,889	6,300
1972	20,240	12,001	5,195	3,002	4,443	2,748	1,692	7,745	2,155	6,006
1973	21,609	12,519	5,928	3,162	4,281	2,491	1,790	8,145	2,415	6,768
1974	21,173	11,979	5,577	3,617	3,978	2,041	1,937	7,815	2,324	7,056
1975	20,536	11,514	4,974	4,048	4,160	2,196	1,964	7,542	2,017	6,817
1976	20,395	11,752	4,696	3,947	4,152	2,112	2,040	7,360	2,043	6,840
1977	19,961	12,571	3,839	3,551	3,841	1,992	1,849	6,884	2,091	7,145
1978	20,514	13,806	3,369	3,339	3,917	2,296	1,621	6,968	2,081	7,548
1973 *1*	5,534	3,239	1,495	800	1,087	640	447	2,122	625	1,700
2	5,320	3,118	1,436	766	1,094	656	438	2,020	565	1,641
3	5,399	3,092	1,499	808	1,076	610	466	2,018	593	1,712
4	5,356	3,070	1,498	788	1,024	585	439	1,985	632	1,715
1974 *1*	5,534	3,128	1,615	791	1,063	570	493	2,156	564	1,751
2	5,158	3,030	1,219	909	929	494	435	1,887	579	1,763
3	5,229	2,926	1,439	864	981	451	530	1,952	586	1,710
4	5,252	2,895	1,304	1,053	1,005	526	479	1,820	595	1,832
1975 *1*	5,146	2,900	1,241	1,005	1,030	554	476	1,827	566	1,723
2	5,122	2,864	1,299	959	1,082	574	508	1,829	488	1,723
3	5,242[4]	3,022[4]	1,163	1,057	986	543	443	2,013[4]	483	1,760
4	5,026	2,728	1,271	1,027	1,062	525	537	1,873	480	1,611
1976 *1*	5,156	2,819	1,260	1,077	1,100	566	534	1,857	506	1,693
2	5,107[4]	2,919[4]	1,199	989	1,019	510	509	1,894[4]	522	1,672
3	5,177[4]	3,103[4]	1,137	937	1,045	544	501	1,867[4]	539	1,726
4	4,955	2,911	1,100	944	988	492	496	1,742	476	1,749
1977 *1*	4,821	2,870	1,067	884	908	421	487	1,680	518	1,715
2	5,010[4]	3,196[4]	932	882	949	492	457	1,764[4]	550	1,747
3	5,057	3,222	923	912	989	535	454	1,697	546	1,825
4	5,073	3,283	917	873	995	544	451	1,743	477	1,858
1978 *1*	5,151	3,447	889	815	1,034	614	420	1,733	564	1,820
2	5,161	3,466	843	852	970	586	384	1,762	525	1,904
3	5,147	3,449	866	832	994	551	443	1,736	516	1,901
4	5,055	3,444	771	840	919	545	374	1,737	476	1,923
					Percentage change, quarter on corresponding quarter of previous year					
1976 *1*	+ 0·2	− 2·8	+ 1·5	+ 7·2	+ 6·8	+ 2·2	+12·2	+ 1·6	−10·6	− 1·7
2	− 0·3	+ 1·9	− 7·7	+ 3·1	− 5·8	−11·1	+ 0·2	+ 3·6	+ 7·0	− 3·0
3	− 1·2	+ 2·7	− 2·2	−11·4	+ 6·0	+ 0·2	+13·1	− 7·3	+11·6	− 1·9
4	− 1·4	+ 6·7	−13·5	− 8·1	− 7·0	− 6·3	− 7·6	− 7·0	− 0·8	+ 8·6
1977 *1*	− 6·5	+ 1·8	−15·3	−17·9	−17·5	−25·6	− 8·8	− 9·5	+ 2·4	+ 1·3
2	− 1·9	+ 9·5	−22·3	−10·8	− 6·9	− 3·5	−10·2	− 6·9	+ 5·4	+ 4·5
3	− 2·3	+ 3·8	−18·8	− 2·7	− 5·4	− 1·7	− 9·4	− 9·1	+ 1·3	+ 5·7
4	+ 2·4	+12·8	−16·6	− 7·5	+ 0·7	+10·6	− 9·1	+ 0·1	+ 0·2	+ 6·2
1978 *1*	+ 6·8	+20·1	−16·7	− 7·8	+13·9	+45·8	−13·8	+ 3·2	+ 8·9	+ 6·1
2	+ 3·0	+ 8·4	− 9·5	− 3·4	+ 2·2	+19·1	−16·0	− 0·1	− 4·5	+ 9·0
3	+ 1·8	+ 7·0	− 6·2	− 8·8	+ 0·5	+ 3·0	− 2·4	+ 2·3	− 5·5	+ 4·2
4	− 0·4	+ 4·9	−15·9	− 3·8	− 7·6	+ 0·2	−17·1	− 0·3	− 0·2	+ 3·5

[1] For the years prior to 1973, totals may not equal the sum of their components, due to the method used in rebasing to 1975 prices.
[2] Including purchases *less* sales of land and existing buildings. [3] Including transfer costs of land and buildings.
[4] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £200 million in 3rd quarter 1975, £150 million in 2nd quarter 1976, £125 million in 3rd quarter 1976 and £225 million in 2nd quarter 1977.


£million, 1975 prices, seasonally adjusted
Sector
3,500
3,000
2,500
2,000
1,500
1,000
500
0
Private
General government
Public corporations
Type of asset
2,500
2,000
1,500
1,000
500
0
Other new buildings and works
Plant and machinery
Dwellings
Vehicles, ships and aircraft
1973
1974
1975
1976
1977
1978

Indicators of fixed investment by manufacturing industry

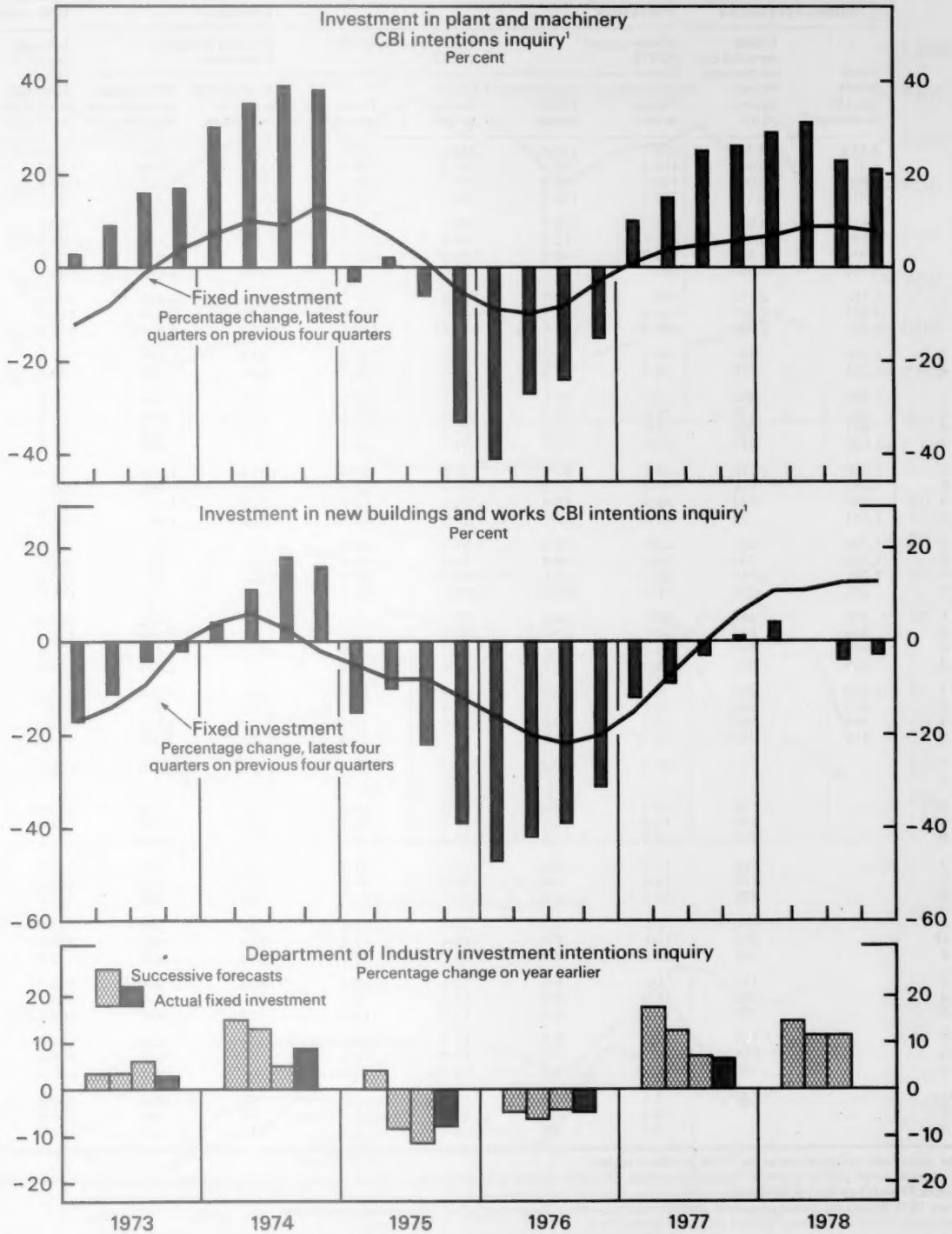
	Gross fixed investment in manufacturing industry						New orders received by contractors for private industrial work (GB)
	Total §	Plant and machinery			New building and works		
		Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment	CBI Intentions Inquiry	
	£ million, 1975 prices, seasonally adjusted	£ million, 1975 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1975 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1975 prices, seasonally adjusted
1968	3,641·8	2,568·9	*+ 7*	..	860·9	*+ 5*	..	1,368
1969	3,897·7	2,679·5	*+ 4*	..	994·3	*+15*	..	1,507
1970	4,196·4	2,974·2	*+11*	..	1,000·2	*+ 1*	..	1,410
1971	3,922·5	2,795·3	*− 6*	..	905·2	*− 9*	..	1,012
1972	3,397·8	2,420·4	*−13*	..	738·0	*−18*	..	1,003
1973	3,504·1	2,505·3	*+ 4*	..	738·7	—	..	1,287
1974	3,822·0	2,821·3	*+13*	..	727·1	*− 2*	..	1,076
1975	3,521·9	2,682·1	*− 5*	..	639·9	*−12*	..	684
1976	3,345·3	2,591·7	*− 3*	..	513·9	*−20*	..	797
1977	3,572·6	2,739·7	*+ 6*	..	547·1	*+ 6*	..	957
1978	3,848·4	2,966·3	*+ 8*	..	616·8	*+13*	..	1,056[2]
1974 *1*	951·1	691·1	*+ 9*	− 3	191·6	*+ 7*	−15	270
2	948·3	697·0	*+15*	2	182·1	*+ 2*	−10	271
3	947·5	702·9	*+ 8*	− 6	174·8	*− 9*	−22	274
4	975·1	730·3	*+19*	−33	178·6	*− 5*	−39	262
1975 *1*	941·7	710·7	*+ 3*	−41	176·7	*− 8*	−47	209
2	900·8	685·7	*− 2*	−27	167·6	*− 8*	−42	164
3	849·9	646·2	*− 8*	−24	155·9	*−11*	−39	183
4	829·5	639·5	*−12*	−15	139·7	*−22*	−31	128
1976 *1*	813·0	624·4	*−12*	10	135·0	*−24*	−12	180
2	827·8	640·8	*− 7*	15	126·3	*−25*	− 9	194
3	848·7	659·5	*+ 2*	25	126·9	*−19*	− 3	193
4	855·8	667·0	*+ 4*	26	125·7	*−10*	1	229
1977 *1*	851·2	653·0	*+ 5*	29	128·2	*− 5*	4	214
2	879·1	669·2	*+ 4*	31	134·4	*+ 6*	—	264
3	910·2	701·7	*+ 6*	23	139·3	*+10*	− 4	244
4	932·1	715·8	*+ 7*	21	145·2	*+16*	− 3	236
1978 *1*	922·6	711·9	*+ 9*	21	142·0	*+11*	− 4	272
2	962·7	747·3	*+12*	18	146·5	*+ 9*	− 7	272
3	981·2	752·1	*+ 7*	13	161·4	*+16*	−15	273
4	981·9	755·0	*+ 5*	10	166·9	*+15*	−11	240[2]
1979 *1*				12			− 7	
2				12			− 6	

[1] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.
[2] Provisional.

Department of Industry inquiry into investment intentions[1]: manufacturing industry

	Percentage change over previous year, in volume terms			
	Gross fixed investment			
	First forecast	Second forecast	Third forecast	Actual
1968	probably some increase	about +5	less than +5	+ 6·7
1969	between +10 and +15	+10 to +15, perhaps top end	of the order of +10	+ 7·0
1970	about +10	about +10	about +2 or +3	+ 7·7
1971	no large change	about −2	about −6 to −8	− 6·5
1972	little change, perhaps a rise	about −3	−7	−13·4
1973	+2 to +5	+2 to +5	+6	+ 3·1
1974	strong increase about +15	some +12 to +14	about +5	+ 9·1
1975	less than +5	−7 to −10	about −11 or −12	− 7·9
1976	of the order of −5	−5 to −8	−4 to −5	− 5·0
1977	between +15 and +20	+10 to +15	+7	+ 6·8
1978	between +12 and +17	+10 to +13	+10 to +13	
1979	+4 to +8	+4 to +8		

[1] For each year the first inquiry is held in the preceding summer, the second at the end of the previous year and the third in the summer of the year concerned. (In addition, the inquiry at the end of the year seeks preliminary information in respect of the second year ahead and another survey in the spring of each year updates the intentions for both years covered by this inquiry; these inquiries are not included in the table.) An article, 'Investment intentions survey: a 10 year review', was published in *Trade and Industry* for 27 October 1978. In this article the table is expanded to include all the inquiries for manufacturing industry, and a similar table is included for the inquiries into the distributive and service industries.

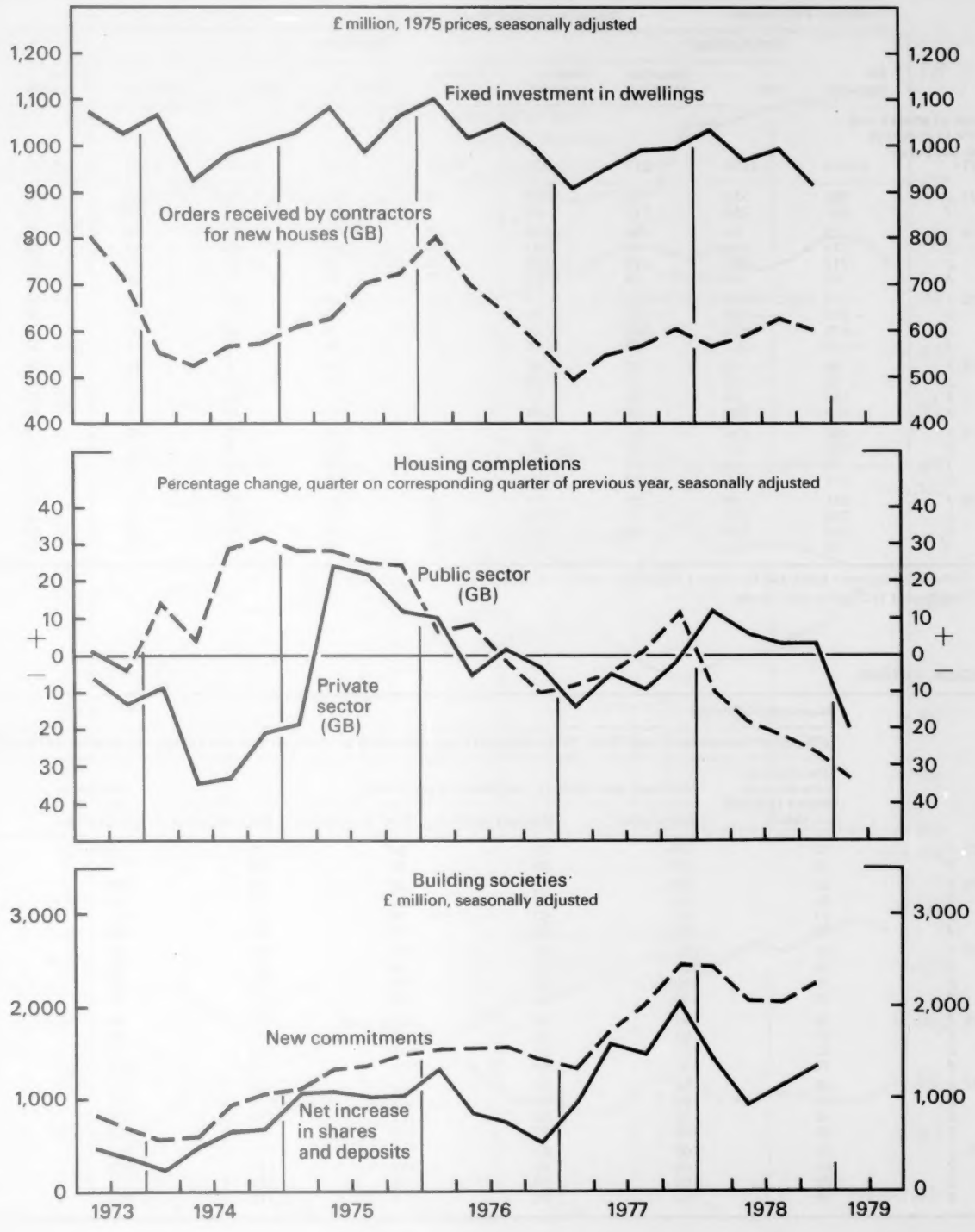


[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment

Indicators of fixed investment in dwellings

	Seasonally adjusted								Unadjusted
	£ million, 1975 prices		Thousands				£ million		1975 =100
	Fixed investment in dwellings	Orders received by contractors for new houses (GB)	Housing starts[1] (GB) §		Housing completions[1] (GB) §		Building Societies Association		Average price of new dwellings: mortgages approved[2]
			Private sector	Public sector	Private sector	Public sector	New commitments for mortgages	Net increase in shares and deposits	
1968	4,515	3,787	200·1	194·3	222·0	191·7	1,480	767	37·4
1969	4,317	3,064	166·8	176·6	181·7	185·1	1,580	895	39·3
1970	3,967	3,093	165·1	153·8	170·3	180·1	2,188	1,490	41·8
1971	4,218	3,147	207·4	136·9	191·6	158·9	3,013	2,034	48·1
1972	4,443	3,507	228·0	123·0	196·5	122·8	3,802	2,193	63·3
1973	4,281	3,320	215·7	112·8	186·6	107·5	3,254	2,162	86·2
1974	3,978	2,224	105·9	146·1	140·9	128·6	3,115	1,993	91·4
1975	4,160	2,663	149·1	173·8	150·8	162·3	5,302	4,172	100·0[3]
1976	4,152	2,712	154·7	170·8	152·2	163·0	6,089	3,405	108·4
1977	3,841	2,212	134·8	132·1	140·3	162·5	7,524	6,099	119·0
1978	3,917	2,380[5]	157·3†	107·4	148·6†	130·7	8,710	4,879	142·6
1973 *3*	1,076	803	52·8	27·2	46·1	26·2	816	511	88·3
4	1,024	718	45·4	29·0	42·7	26·0	688	370	90·6
1974 *1*	1,063	553	33·8	34·1	44·3	29·5	533	218	90·5
2	929	526	25·8	39·7	31·9	30·8	598	456	90·0
3	981	568	22·5	36·5	30·9	33·9	931	634	92·3
4	1,005	578	23·8	35·8	33·8	34·4	1,053	685	92·6
1975 *1*	1,030	610	33·1	41·4	35·8	37·8	1,119	1,054	95·3
2	1,082	625	37·4	37·8	39·6	39·3	1,311	1,085	100·0
3	986	702	38·0	43·9	37·6	42·5	1,373	1,012	102·1
4	1,062	726	40·5	50·7	37·8	42·7	1,499	1,021	102·7
1976 *1*	1,100	801	42·0	49·8	39·4	40·6	1,537	1,341	104·3
2	1,019	700	42·0	44·3	37·8	42·4	1,552	824	107·9
3	1,045	640	39·3	44·3	38·3	41·5	1,581	727	110·3
4	988	572	31·4	32·4	36·7	38·5	1,419	513	111·5
1977 *1*	908	496	29·9	30·3	33·7	37·5	1,337	963	112·7
2	949	548	34·7	32·7	35·8	40·3	1,743	1,599	116·6
3	989	567	35·3	34·6	34·8	41·8	2,018	1,487	120·5
4	995	601	34·9	34·5	36·0	42·9	2,426	2,050	124·5
1978 *1*	1,034	565	35·5	27·2	37·8	33·8	2,402	1,415	130·5
2	970	587	39·6	30·0	37·9	33·1	2,050	915	138·0
3	994	625	38·3	26·0	35·8	32·4	2,030	1,168	148·2
4	919	603[5]	43·9†	24·2	37·1†	31·4	2,228	1,381	157·6
1979 *1*			26·3	17·2	30·2	22·2	2,231	1,335	166·1
2									
1977 *O*	..	179	12·3	12·4	12·3	14·9	775	676	123·1
N	..	206	10·8	11·1	11·3	13·7	809	709	124·5
D	..	216	11·8	11·0	12·4	14·3	842	665	126·1
1978 *J*	..	189	11·6	10·5	12·9	11·7	813	525	128·5
F	..	189	11·6	7·8	12·2	10·9	823	441	129·2
M	..	188	12·3	8·9	12·7	11·2	766	449	133·5
A	..	183	12·9	10·3	12·4	11·0	720	299	135·8
M	..	205	12·1	9·8	12·4	11·2	686	300	136·9
J	..	198	14·6	9·9	13·1	10·9	644	316	141·5
J	..	191	11·8	9·5	12·5	12·0	635	350	144·7
A	..	225	11·6	8·0	11·4	10·2	685	362	148·7
S	..	209	14·9	8·5	11·9	10·2	710	456	151·2
O	..	191	14·5	8·7	12·2	10·3	720	436	154·7
N	..	221	14·1	7·5	11·5	10·5	717	441	157·4
D	..	190[5]	15·3†	8·0	13·4†	10·6	791	504	161·2
1979 *J*	..	145[4,5]	7·4	4·8	10·2	6·9	788	502	162·2
F	..		10·4	5·8	10·9	7·6	731	361	167·0
M	..		8·5	6·6	9·1	7·7	712	472	168·0

[1] The seasonally adjusted series for 1978 has been revised.
[2] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.
[3] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages.
[4] Estimates based on orders reported by major contractors
[5] Provisional.


£ million, 1975 prices, seasonally adjusted
1,200
1,100
1,000
900
800
700
600
500
400
Fixed investment in dwellings
Orders received by contractors for new houses (GB)
Housing completions
Percentage change, quarter on corresponding quarter of previous year, seasonally adjusted
40
30
20
10
0
10
20
30
40
+
−
Public sector (GB)
Private sector (GB)
Building societies
£ million, seasonally adjusted
3,000
2,000
1,000
0
New commitments
Net increase in shares and deposits
1973
1974
1975
1976
1977
1978
1979

Stock changes

Seasonally adjusted

£ million, 1975 prices

	All industries	Manufacturing[1]				Distribution			Other industries
		Total	Materials and fuels	Work in progress	Finished goods	Total	Retail	Wholesale	
Value of stocks and work in progress end-December									
1977[2]	34,469	19,995	7,277	7,321	5,397	7,722	3,181	4,541	6,752
1973 *3*	682	330	192	158	− 19	195	75	120	157
4	521	269	172	92	6	221	96	125	31
1974 *1*	− 29	54	336	−138	−145	25	− 63	88	−108
2	749	454	63	147	243	209	53	156	86
3	719	685	274	108	304	− 33	− 94	61	67
4	23	94	− 15	− 65	175	− 20	− 76	56	− 51
1975 *1*	−463	−258	−292	− 77	109	−189	−105	− 84	− 16
2	−510	−230	−156	− 45	− 28	−202	− 95	−107	− 78
3	−476	−476	−338	− 90	− 48	− 5	40	− 45	5
4	−176	−257	−140	− 60	− 57	49	60	− 11	32
1976 *1*	− 88	− 13	− 88	42	34	50	7	43	−125
2	− 74	− 29	− 47	38	− 20	− 76	− 67	− 9	31
3	163	99	48	37	14	127	46	81	− 63
4	259	259	23	104	131	43	27	16	− 43
1977 *1*	430	234	92	123	21	199	117	82	− 3
2	293	97	− 38	− 69	204	184	4	180	12
3	− 70	− 5	− 23	− 33	50	−139	− 59	− 80	74
4	325	116	− 47	174	− 11	51	− 33	84	158
1978 *1*	291	38	− 26	17	48	143	62	81	110
2	280	272	− 15	128	158	66	128	− 62	− 58
3	302	175	20	102	52	99	54	45	28
4	89	111	9	199	− 97	10	89	− 79	− 32

[1] Differences between totals and the sum of constituent parts of manufacturing are due to rounding.

[2] Unadjusted 1975 price stock levels.

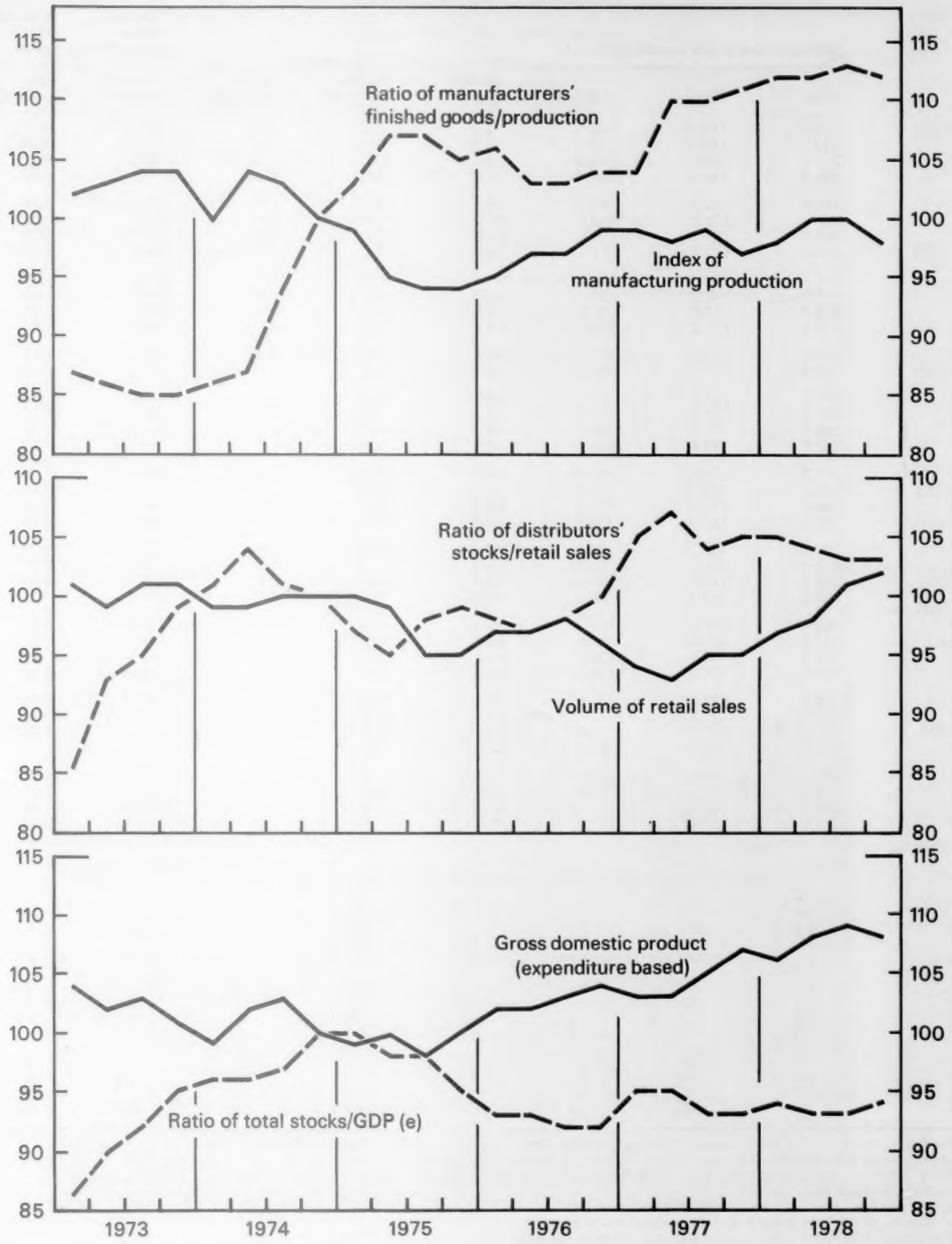
Stock ratios

Seasonally adjusted

1975 prices: stocks level, end-Dec. 1974=100; GDP (e), industrial production and retail sales, 4th quarter 1974=100

	Total stocks to gross domestic product (expenditure based)	Manufacturers' stocks to manufacturing production				Distributors' stocks to retail sales
		Total stocks	Materials and fuel	Work in progress	Finished goods	
1973 *3*	92	89	86	94	85	95
4	95	90	88	95	85	99
1974 *1*	96	94	96	98	86	101
2	96	92	93	96	87	104
3	97	96	97	98	94	101
4	100	100	100	100	100	100
1975 *1*	100	100	97	100	103	97
2	98	103	100	104	107	95
3	98	102	97	103	107	98
4	95	100	94	102	105	99
1976 *1*	93	99	93	102	106	98
2	93	97	90	100	103	97
3	92	97	90	101	103	98
4	92	97	89	101	104	100
1977 *1*	95	98	90	102	104	105
2	95	99	91	102	110	107
3	93	99	90	101	110	104
4	93	100	90	105	111	105
1978 *1*	94	100	89	105	112	105
2	93	99	87	104	112	104
3	93	100	87	105	113	103
4	94	102	90	111	112	103

1975 prices, seasonally adjusted.

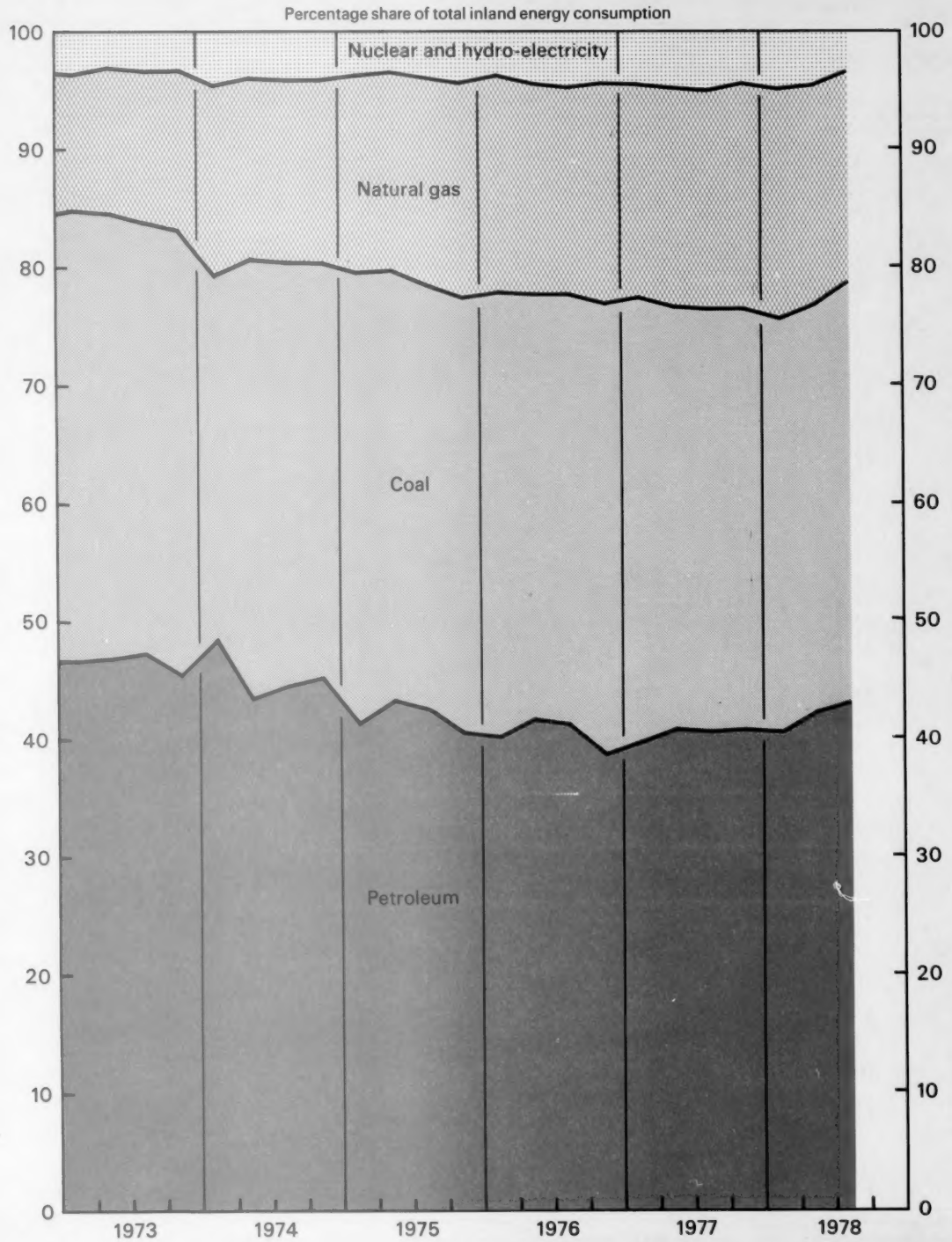


Inland energy consumption

Annual rates, seasonally adjusted and temperature corrected

	Primary fuel input[1]						Public supply	
	Million tonnes of coal or coal equivalent						Thousand million kilowatt hours	Thousand million therms
	Total	Coal[2]	Petroleum[3]	Natural gas[4]	Nuclear electricity[5]	Hydro electricity[5]	Electricity available(GB)[6]	Gas available(GB)[7]
1967	303·2	166·3	123·1	2·1	9·0	2·7	177·8	4·37
1968	312·9	166·7	129·2	4·8	10·2	2·0	193·6	4·88
1969	323·0	162·8	138·4	9·4	10·7	1·7	200·5	5·40
1970	336·3	156·8	149·8	17·8	9·5	2·4	211·6	6·30
1971	332·9	140·0	152·4	28·8	9·9	1·8	215·9	8·25
1972	337·4	121·8	162·2	41·0	10·6	1·8	224·1	10·82
1973	354·2	133·2	164·5	44·4	10·1	2·0	241·0	12·04
1974	337·9	117·7	153·1	52·9	12·1	2·1	235·5	13·53
1975	326·9	120·6	137·1	56·3	10·9	2·0	234·2	13·90
1976	331·5	123·0	134·2	59·5	12·9	1·9	236·7	14·41
1977	338·2	122·4	136·8	62·7	14·3	2·0	240·2	15·42
1978	338·0	119·2	139·2	64·1	13·4	2·1	246·7	15·71
1972 *3*	341·5	128·0	157·2	44·4	9·9	2·0	226·3	11·18
4	353·6	133·3	165·2	43·2	10·8	1·1	232·2	11·42
1973 *1*	350·1	134·5	162·8	40·0	10·9	1·9	243·2	11·51
2	355·4	134·6	165·8	43·7	9·3	2·0	241·3	11·69
3	358·7	131·3	169·2	45·8	10·2	2·2	241·3	12·19
4	352·5	132·4	160·3	48·1	9·9	1·8	238·3	12·79
1974 *1*	311·5	96·3	150·8	50·1	11·5	2·8	216·3	13·20
2	342·4	126·7	149·4	52·6	12·4	1·3	237·1	13·49
3	350·9	125·9	155·8	54·9	12·3	2·0	244·2	13·66
4	346·9	122·0	156·3	54·1	12·1	2·4	244·3	13·78
1975 *1*	331·1	127·2	136·8	54·2	10·8	2·1	236·2	13·73
2	331·4	121·2	143·0	55·2	10·4	1·6	237·3	13·71
3	326·4	116·9	139·2	57·4	10·8	2·1	234·7	13·97
4	318·9	117·2	129·2	58·5	12·0	2·0	228·5	14·17
1976 *1*	332·5	125·5	133·8	60·4	10·9	1·9	230·9	14·27
2	334·6	120·8	139·5	59·2	12·5	2·6	240·4	14·36
3	330·9	120·5	136·7	57·6	14·6	1·5	244·3	14·46
4	328·0	125·2	126·8	61·0	13·4	1·6	231·4	14·56
1977 *1*	336·9	126·3	134·0	61·1	13·9	1·6	237·9	14·95
2	337·7	121·1	137·7	62·0	14·5	2·4	242·9	15·32
3	340·5	121·6	138·1	63·4	15·7	1·7	248·3	15·58
4	337·5	120·4	137·3	64·3	13·1	2·4	231·9	15·81
1978 *1*	331·7	116·4	134·4	64·5	14·6	1·8	237·3	15·71
2	340·9	118·4	143·7	63·4	13·3	2·1	248·6	15·81
3	336·8	117·2	144·4	60·1	13·2	1·9	255·0	15·98
4	343·6	125·0	137·2	66·4	12·5	2·5	245·7	15·90
	Percentage change, quarter on corresponding quarter of previous year							
1976 *1*	*+ 0·4*	*− 1·3*	*− 2·2*	*+11·4*	*+ 0·9*	*− 9·5*	*− 2·2*	*+ 3·9*
2	*+ 1·0*	*− 0·3*	*− 2·5*	*+ 7·2*	*+20·2*	*+62·5*	*+ 1·3*	*+ 4·7*
3	*+ 1·4*	*+ 3·1*	*− 1·8*	*+ 0·3*	*+35·2*	*−28·6*	*+ 4·1*	*+ 3·5*
4	*+ 2·9*	*+ 6·8*	*− 1·9*	*+ 4·3*	*+11·7*	*−20·3*	*+ 1·3*	*+ 2·8*
1977 *1*	*+ 1·3*	*+ 0·6*	*—*	*+ 1·2*	*+27·5*	*−15·8*	*+ 3·0*	*+ 4·8*
2	*+ 0·9*	*+ 0·2*	*− 1·3*	*+ 4·7*	*+16·0*	*− 7·7*	*+ 1·0*	*+ 6·7*
3	*+ 2·9*	*+ 0·9*	*+ 1·0*	*+10·1*	*+ 7·5*	*+13·3*	*+ 1·6*	*+ 7·7*
4	*+ 2·9*	*− 3·8*	*+ 8·3*	*+ 5·4*	*− 2·2*	*+50·0*	*+ 0·2*	*+ 8·6*
1978 *1*	*− 1·6*	*− 7·8*	*+ 0·2*	*+ 5·6*	*+ 5·0*	*+12·5*	*− 0·2*	*+ 5·1*
2	*+ 0·9*	*− 2·4*	*+ 4·4*	*+ 2·0*	*− 8·8*	*−11·4*	*+ 2·3*	*+ 3·2*
3	*− 1·1*	*− 3·6*	*+ 4·6*	*− 5·2*	*−15·9*	*+11·8*	*+ 2·7*	*+ 2·6*
4	*+ 1·8*	*+ 3·8*	*− 0·1*	*+ 3·3*	*− 4·6*	*+ 4·2*	*+ 6·0*	*+ 0·6*

[1] Converted to metric tonnes. Temperature correction has been introduced for natural gas. Details are given in *Energy Trends*, May 1978.
[2] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels.
[3] Refinery throughput of crude oil *plus* net foreign trade and stock change in petroleum products *less* deliveries of non-energy products.
[4] Excluding gas flared or re-injected.
[5] Nuclear and hydro electricity are not temperature corrected.
[6] The inclusion of Northern Ireland would add about 2% to the total.
[7] The inclusion of Northern Ireland would add about 0·3% to the total.


Percentage share of total inland energy consumption
Nuclear and hydro-electricity
Natural gas
Coal
Petroleum
100
90
80
70
60
50
40
30
20
10
0
1973
1974
1975
1976
1977
1978

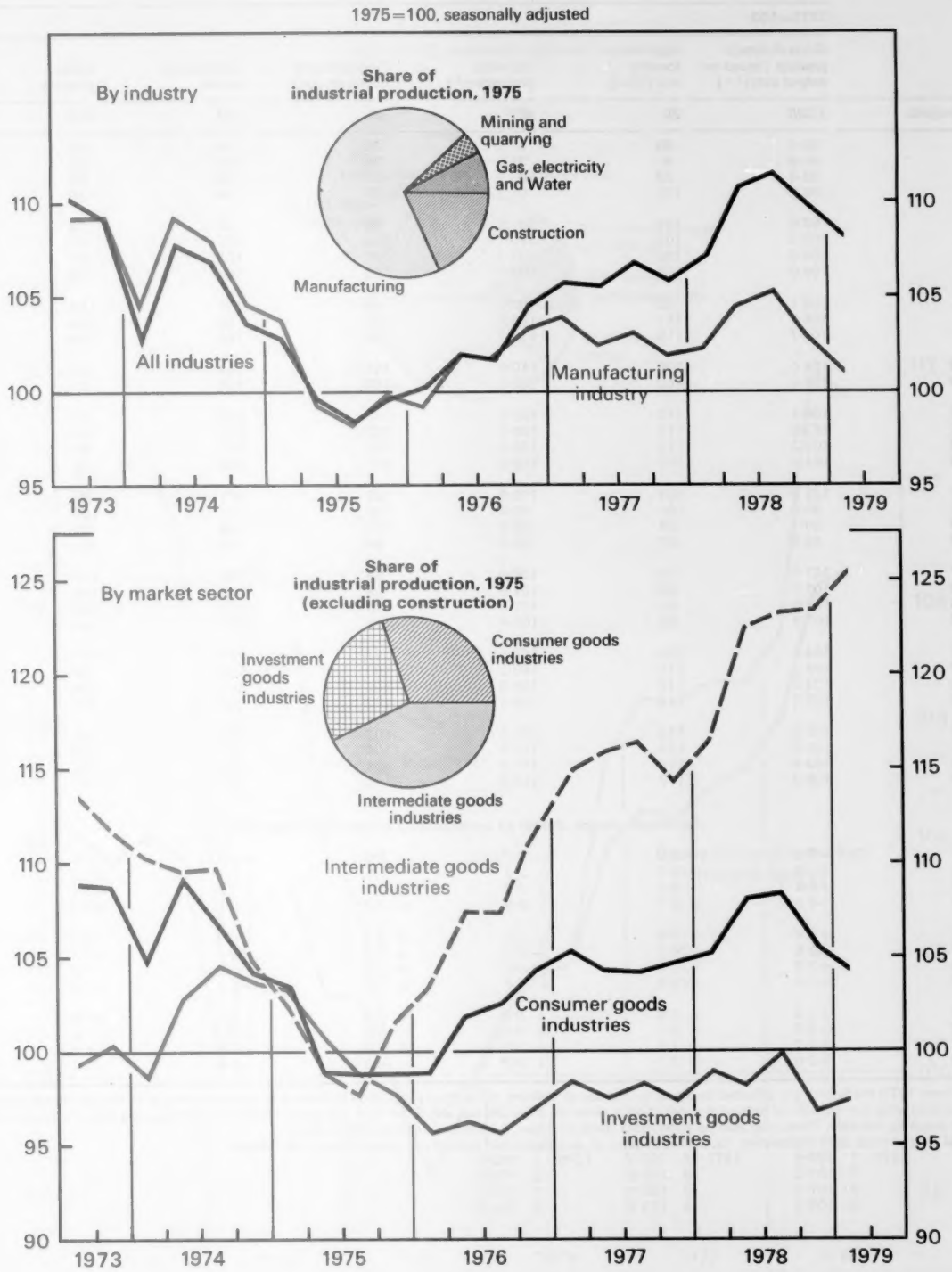
Index of industrial production

Seasonally adjusted

1975=100

		By industry				By market sector[1]		
	All industries covered §	Mining and quarrying	Manufacturing §	Construction[2]	Gas, electricity and water	Consumer goods industries	Investment goods industries	Intermediate goods industries
1975 weights	*1,000*	*41*	*697*	*182*	*80*	*243*	*218*	*349*
1968	97·0	132·4	94·1	114·4	77·0	86·9	90·6	100·7
1969	99·6	123·9	97·6	113·5	80·9	89·4	95·7	102·9
1970	99·7	119·1	98·0	111·4	84·1	91·0	95·6	102·9
1971	99·8	119·1	97·4	113·3	87·3	93·3	93·7	102·1
1972	102·0	100·2	100·0	115·4	93·6	99·9	91·2	104·1
1973	109·5	110·1	108·3	118·2	99·3	108·0	99·0	112·6
1974	105·1	89·9	106·5	105·8	99·2	106·1	102·1	106·1
1975	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1976	102·0	125·8	101·4	98·6	102·9	101·9	96·1	107·5
1977	105·8	187·7	102·8	98·2	107·0	104·6	97·9	115·4
1978	109·8†	232·8†	103·6	105·3	110·1†	106·8†	98·4†	121·3
1973 *1*	109·2	115·1	106·9	121·4	98·2	106·2	98·4	111·6
2	109·7	114·7	108·2	118·3	100·1	108·4	98·0	113·4
3	110·1	113·0	109·1	118·0	98·7	108·8	99·3	113·6
4	109·0	97·6	109·2	115·0	100·1	108·7	100·3	111·7
1974 *1*	102·6	59·4	104·5	109·8	92·0	104·8	97·5	100·2
2	107·6	98·2	109·1	108·1	98·6	109·0†	102·9	109·5
3	106·9†	102·2	108·0	105·2	103·1	106·6	104·5	109·6
4	103·5	99·8	104·6	100·2	102·9	104·1	103·6	104·9
1975 *1*	102·6	95·5	103·8	100·7	99·3	103·5	103·3	102·4
2	99·5	98·2	99·2	100·4	100·6	98·9	100·6	98·8
3	98·4	98·3	98·1	99·6	98·4	98·8	98·6	97·5
4	99·5	108·0	98·8	99·3	101·7	98·8	97·6	101·3
1976 *1*	100·1	110·1	99·1	100·2	103·5	98·9	95·7	103·4
2	101·8	120·0	101·7	97·8	102·4	101·8	96·2	107·4
3	101·6	125·9	101·7	96·5	100·3	102·5	95·6	107·4
4	104·5	147·3	103·2†	100·0	105·2	104·3	97·0	111·6
1977 *1*	105·6†	174·7	103·9	96·3	106·3	105·3	98·3	114·8
2	105·5	190·1	102·4	96·9	108·6	104·3	97·5	115·9
3	106·2	190·3	103·0	98·8	107·8	104·2	98·3	116·4
4	105·8	195·8	101·8	101·0	105·5	104·7	97·4	114·3
1978 *1*	107·0	209·6	102·2	101·9	107·8†	105·2	98·8	116·3
2	110·8	229·5	104·5	107·3	112·0	108·0	98·1	122·4
3	111·5	236·6	105·2	107·2	112·6	108·4	99·8†	123·2
4	109·8	255·5†	102·6	105·0	108·0	105·5	96·9	123·3†
1979 *1*	108·2	276·3	101·0	94[3]†	117·3	104·2	97·4	125·4
1977 *O*	105·5	196	101·4	..	105	104	97	114
N	105·5†	191	101·3	..	107	105	97	113
D	106·5	200	102·7	..	105	106	98	115
1978 *J*	106·9	207	102·3	..	107	106	99	116
F	107·3	216	101·9	..	111†	105	99	118
M	106·8	206	102·4	..	105	105	99	116
A	111·1	221	105·1	..	115	108	98	123
M	110·1	232	103·5	..	111	107	98	121
J	111·1	235	105·0	..	110	108	98	123
J	111·7	236	105·2†	..	115	107†	100	124†
A	112·2	238	106·0	..	113	110	100	123
S	110·8	236	104·4	..	110	108	99	122
O	108·5	242†	101·8	..	107	105	96	121
N	109·6	261	102·6	..	104	106	96	123
D	111·2	264	103·6	..	113	106	98	126
1979 *J*	102·6	278	93·0	..	117	99	91	117
F	110·4	282	103·8	..	117	105	100†	129
M	111·5	268	106·2	..	118	108	101	130

[1] All industries other than construction.
[2] For an index of construction output for Great Britain, incorporating the latest available information see page 30.
[3] Preliminary estimate.


1975=100, seasonally adjusted
By industry
Share of industrial production, 1975
Mining and quarrying
Gas, electricity and Water
Construction
Manufacturing
All industries
Manufacturing industry
110
105
100
95
1973
1974
1975
1976
1977
1978
1979
By market sector
Share of industrial production, 1975 (excluding construction)
Consumer goods industries
Investment goods industries
Intermediate goods industries
Intermediate goods industries
Consumer goods industries
Investment goods industries
125
120
115
110
105
100
95
90

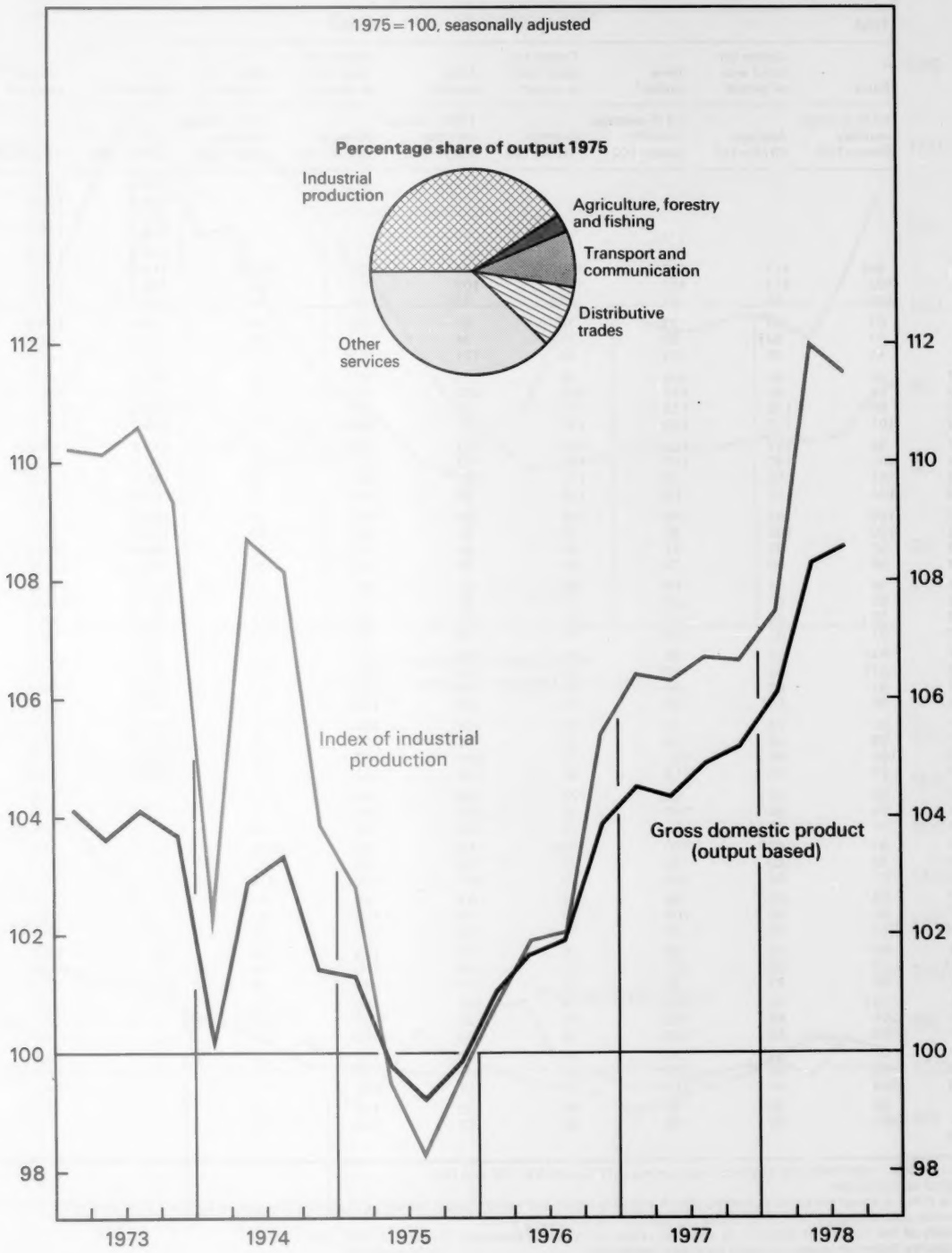
Index numbers of output

	Seasonally adjusted					
	1975=100					
	Gross domestic product (based on output data)[1,2] §	Agriculture, forestry and fishing	Industrial production[1] §	Transport and communication	Distributive trades	Other services
1975 weights	*1,000*	*28*	*407*	*88*	*101*	*376*
1968	90·1	93	97·3	80	90	85
1969	91·9	92	99·9	84	91	85
1970	93·4	98	100·1	87	93	88
1971	94·8	103	99·8	89	94	90
1972	97·8	106	101·8	94	99	93
1973	103·8	109	110·1	101	106	97
1974	101·9	110	105·7	101	103	97
1975	100·0	100	100·0	100	100	100
1976	102·1	93	102·5	99	101	103
1977	104·7	111	106·5	101	99	104
1978	107·7	116	110·2	104	104	106
1973 *3*	104·0	109	110·6	101	106	97
4	103·6	109	109·4	102	106	97
1974 *1*	100·1	110	102·0	100	103	97
2	103·0	112	108·7	102	102	97
3	103·2	110	108·2	101	104	98
4	101·4	107	103·9	101	103	98
1975 *1*	101·3	103	102·9	102	103	99
2	99·8	101	99·4	100	101	100
3	99·1	99	98·1	100	98	100
4	99·8	97	99·6	98	98	101
1976 *1*	101·0	93	100·9	98	101	103
2	101·7	89	101·9	98	101	104
3	101·8	91	101·9	99	102	103
4	103·9	98	105·4	101	101	104
1977 *1*	104·5	106	106·5	102	100	104
2	104·2	111	106·2	100	98	104
3	104·8	114	106·6	101	100	104
4	105·1	114	106·6	102	100	105
1978 *1*	105·9	114	107·3	102	102	106
2	108·0	116	111·6	104	103	106
3	108·6	116	111·9	104	106	106
4	108·3	117	110·0	106	107	107
	Percentage change, quarter on corresponding quarter of previous year					
1976 *1*	*−0·3*	*− 9·8*	*− 1·9*	*− 3·6*	*−2·0*	*+3·6*
2	*+1·9*	*−12·0*	*+ 2·5*	*− 1·9*	*+0·1*	*+3·8*
3	*+2·8*	*− 8·2*	*+ 3·9*	*− 1·3*	*+3·8*	*+3·1*
4	*+4·1*	*+ 0·7*	*+ 5·9*	*+ 2·3*	*+3·1*	*+3·2*
1977 *1*	*+3·4*	*+13·8*	*+ 5·6*	*+ 4·2*	*−0·9*	*+1·4*
2	*+2·5*	*+24·5*	*+ 4·3*	*+ 2·1*	*−3·2*	*+0·7*
3	*+2·9*	*+25·8*	*+ 4·6*	*+ 2·3*	*−1·8*	*+1·0*
4	*+1·2*	*+16·9*	*+ 1·1*	*+ 1·0*	*−1·2*	*+0·8*
1978 *1*	*+1·3*	*+ 7·8*	*+ 0·7*	*+ 0·4*	*+2·0*	*+1·5*
2	*+3·6*	*+ 4·3*	*+ 5·0*	*+ 3·8*	*+5·7*	*+1·5*
3	*+3·6*	*+ 1·9*	*+ 5·0*	*+ 3·0*	*+5·9*	*+1·8*
4	*+3·0*	*+ 2·2*	*+ 3·2*	*+ 4·3*	*+6·4*	*+1·6*

[1] As from 1970 the figures are adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. An analysis of industrial production is given on page 26, but will differ from the series shown here because the adjustment included is not available monthly. There may also be differences because page 26 includes the latest information.

[2] Total output other than exploration for, and extraction of, petroleum and natural gas (MLH 104) is as follows:

1976	*1* 100·8	1977	*1* 103·1	1978	*1* 103·9
	2 101·3		*2* 102·6		*2* 105·7
	3 101·3		*3* 103·1		*3* 106·2
	4 103·0		*4* 103·4		*4* 105·6

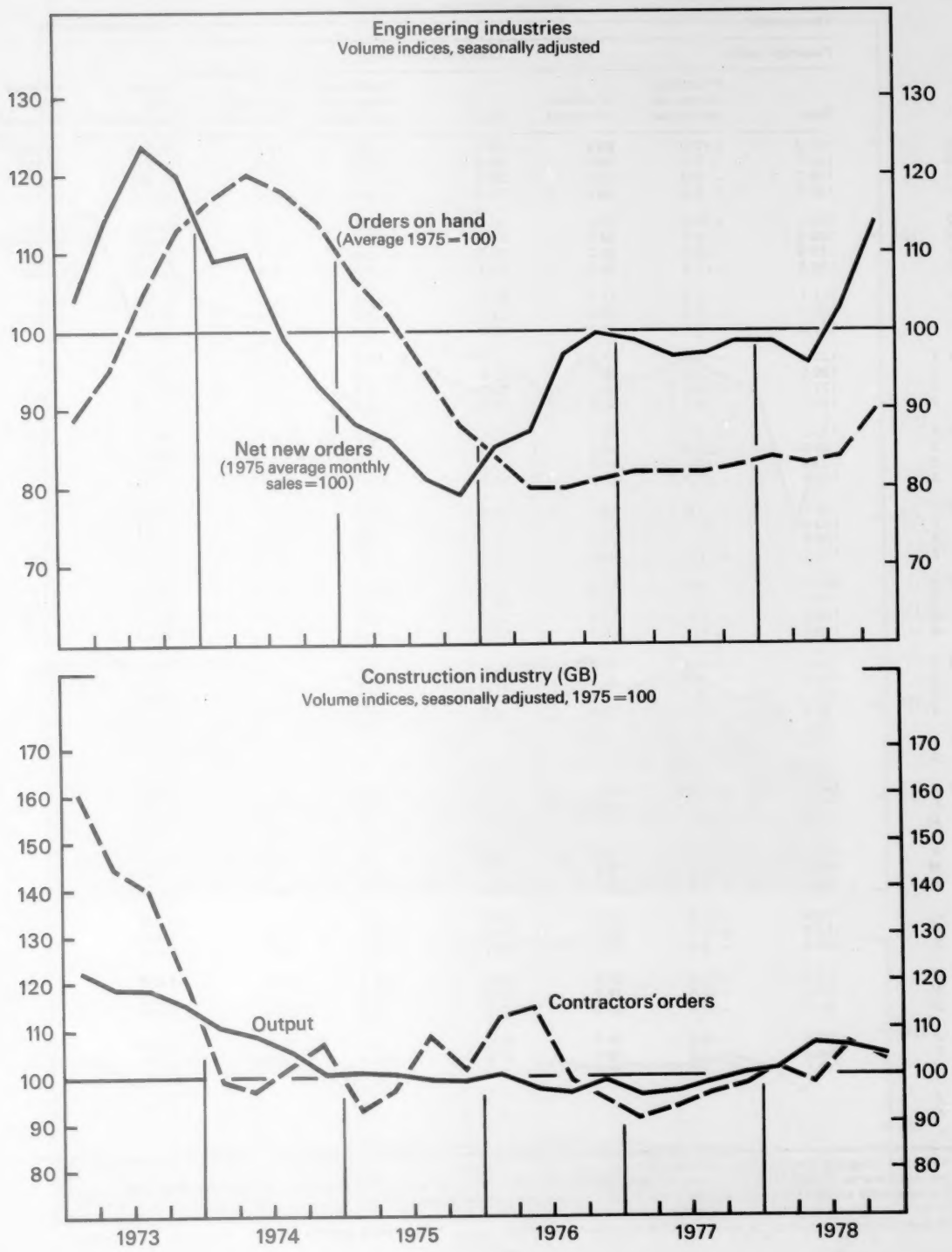

1975 = 100, seasonally adjusted
Percentage share of output 1975
Industrial production
Agriculture, forestry and fishing
Transport and communication
Distributive trades
Other services
112
110
108
106
104
102
100
98
Index of industrial production
Gross domestic product (output based)
1973
1974
1975
1976
1977
1978

Engineering and construction: output and orders

Seasonally adjusted volume index numbers

	Engineering industries[1]							Construction (GB)	
	Total			Home market		Export			
	Sales	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Output[3, 4]	Orders received
	1975 average monthly sales=100	Average 1975=100	1975 average monthly sales=100	Average 1975=100	1975 average monthly sales=100	Average 1975=100	1975 average monthly sales=100	1975=100	1975=100
1968	..	..	..	..	..	..	..	117·9	142·4
1969	..	..	..	..	..	..	..	118·6	133·7
1970	..	..	..	..	..	..	..	115·2	131·1
1971	..	..	..	..	..	..	..	116·2	139·2
1972	..	..	..	..	..	..	..	116·9	146·3
1973	99†	113	116	120	121	100	105†	118·6	141·4
1974	102	114	103	115	102	112	106	106·3	101·1
1975	100	88	84	87	83	90	84	100·0	100·0
1976	97	81	92	74	87	94	104	98·5	105·5
1977	97	84†	98	75	94	100	109	98·0	94·6
1978[6]	99	90	103	84	101	101†	107†	104·9[6]	102·9[6]
1973 *1*	96	89	104	98	113	71	85	122·1	160·7
2	98	95	115	104	120	79	104	118·8	144·4
3	99	105	124	113	126	90	119	118·3	139·9
4	101	113	120	119	123	100	115	115·2	120·4
1974 *1*	98	117	109	120	103	111	122	110·4	98·9
2	102	120	110	121	107	117	115	108·7	96·7
3	104	118	99	119	102	115	93	105·7	101·8
4	104	114	93	115	94	112	92	100·4	106·8
1975 *1*	105	107	88	108	89	106	85	100·7	92·5
2	100	102	86	102	85	102	88	100·4	97·1
3	98	95	81	94	80	96	84	99·6	108·8
4	96	88	79	87	79	90	80	99·3	101·6
1976 *1*	96	84	85	83	83	86	90	100·3	112·6
2	97	80	87	79	86	82	89	97·6	114·5
3	96	80	97	77	90	87	114	96·3	99·7
4	97	81	100	74	90	94	123	99·9	95·2
1977 *1*	97	82	99	74	95	97	109	96·1	91·0
2	97†	82	98†	73	90†	101†	117†	96·5	93·3
3	97	82	96	73	93	100	105	98·5	96·1
4	96	84†	99	75	97	100	105	100·7	98·1
1978[6] *1*	99	84	99	75	95	101	110	101·5	102·2
2	98	83	96	75	94	99	99	107·1	99·0
3	100	84	103	75	100	100	109	106·6	106·9
4	99	90	114	84	116	101	109	104·4[6]	103·4[6]
1977 *J*	99	82	94†	73	95†	99†	91†	..	87·8
A	95	83	103	74	96	100†	117	..	91·8
S	97	82	93	73	86	100	108	..	108·5
O	97	83†	100	74†	95	100	110	..	84·6
N	93	83	95	74	95	99	93	..	100·0
D	97	84	104	75	101	100	110	..	109·7
1978[6] *J*	96	83	94	75	92	99	99	..	101·8
F	98	85	109	75	96	103	140	..	106·1
M	103	84	94	75	96	101	90	..	98·6
A	96	83	93	75	92	100	96	..	94·6
M	99	84	101	75	99	100	106	..	103·9
J	99	83	93	75	91	99	96	..	98·5
J	98†	83	100	76	102	98	96	..	95·0
A	101	83	100	76	99	97	103	..	111·7
S	103	84	108	75	99	100	129	..	114·0
O	97	84	98	76	98	100	99	..	109·5
N	98	88	128	82	137	100	109	..	96·5
D	103	90	115	84	114	101	118	..	104·2[6]
1979[6] *J*	85	90	89	84	88	102	92	..	85[5, 6]
F	100	90	99	83	92	103	115		
M									

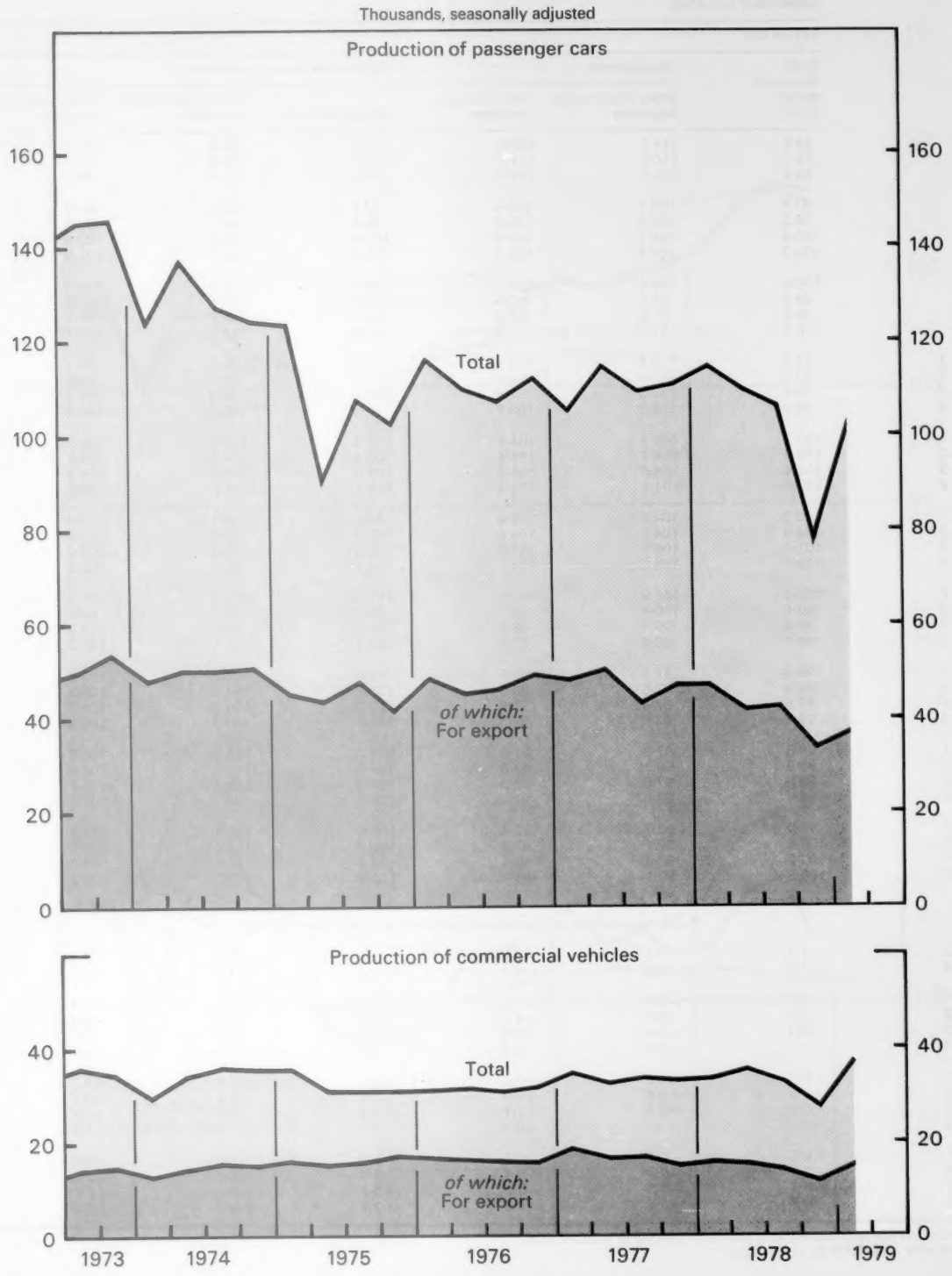
[1] Mechanical, instrument and electrical engineering (SIC Orders VII, VIII and IX).
[2] Net of cancellations.
[3] This index is based on an output series which includes repair and maintenance estimates of unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.
[4] Details of the method of deflation to constant prices are given in *Economic Trends*, No. 297, July 1978.
[5] Estimates based on orders reported by major contractors.
[6] Provisional.


Engineering industries
Volume indices, seasonally adjusted
130
120
110
100
90
80
70
Orders on hand
(Average 1975 =100)
Net new orders
(1975 average monthly
sales =100)
Construction industry (GB)
Volume indices, seasonally adjusted, 1975 =100
170
160
150
140
130
120
110
100
90
80
Output
Contractors' orders
1973
1974
1975
1976
1977
1978

Motor vehicle production and steel production and consumption

	Seasonally adjusted							
	Thousands[1]						Thousand tonnes	
	Passenger cars§			Commercial vehicles§				
	Total	*Percentage change on year earlier*	*of which:* For export	Total	*Percentage change on year earlier*	*of which:* For export	Crude steel production[2,3]	Finished steel consumption
1968	151·3	*+17·0*	66·9	34·1	*+ 6·3*	12·5	26,255	16,835
1969	143·1	*− 5·4*	68·7	38·8	*+13·8*	16·1	26,822	17,782
1970	136·7	*− 4·4*	60·2	38·1	*− 1·8*	15·8	27,792[4]	17,637[4]
1971	145·2	*+ 6·2*	59·5	38·0	*− 0·3*	15·7	24,153	16,722
1972	160·1	*+10·3*	51·1	34·0	*−10·5*	11·3	25,293	16,750
1973	145·6	*− 9·1*	50·4	34·7	*+ 2·1*	13·3	26,594	18,445
1974	127·8	*−12·2*	49·7	33·5	*− 3·4*	14·2	22,323	17,548
1975	105·6	*−17·4*	44·3	31·7	*− 5·4*	15·5	19,789[4]	15,446[4]
1976	111·1	*+ 5·2*	47·1	31·0	*− 2·3*	15·8	22,274	15,804
1977	109·7	*− 1·3*	46·9	33·2	*+ 7·0*	16·4	20,411	15,300
1978	101·9	*− 7·1*	41·2	32·0	*− 3·5*	14·1	20,311†	15,583
1974 *1*	123·4	*−19·0*	47·9	29·2	*−17·5*	12·3	5,218	4,357
2	136·9	*− 2·2*	50·1	33·9	*+ 0·9*	14·0	5,784	4,560
3	127·1	*−12·3*	50·1	35·7	*− 0·3*	15·6	5,763	4,252
4	124·1	*−14·7*	50·6	35·4	*+ 3·9*	14·9	5,599	4,379
1975 *1*	123·2	*− 0·1*	44·9	35·6	*+22·1*	15·7	6,102	4,267
2	89·3	*−34·8*	43·5	30·5	*−10·1*	14·6	4,661	3,695
3	107·9	*−15·0*	47·8	30·4	*−14·9*	15·2	4,231[5]	3,715[5]
4	102·1	*−17·7*	41·2	30·4	*−14·1*	16·7	4,719	3,769
1976 *1*	116·1	*− 5·8*	48·2	30·6	*−14·2*	16·1	5,480	4,076
2	109·6	*+22·7*	44·9	31·4	*+ 3·1*	16·0	5,731	3,887
3	106·8	*− 1·1*	45·9	30·3	*− 0·2*	15·6	5,375	3,785
4	112·1	*+ 9·8*	49·4	31·7	*+ 4·3*	15·5	5,650	4,056
1977 *1*	104·6	*− 9·9*	47·8	34·6	*+13·1*	18·3	5,417	3,744
2	114·8	*+ 4·8*	50·1	32·1	*+ 2·2*	16·1	4,908	3,758
3	108·9	*+ 2·0*	42·8	33·6	*+10·9*	16·5	5,419	3,974
4	110·3	*− 1·5*	46·9	32·4	*+ 2·3*	14·7	4,641	3,824
1978 *1*	114·9	*+ 9·8*	46·9	33·2	*− 4·0*	15·7	4,957	4,202
2	109·4	*− 4·7*	41·9	35·0	*+ 8·9*	15·2	5,278	3,949
3	105·7	*− 2·9*	42·2	32·3	*− 4·0*	13·9	4,757	3,910
4	77·6	*−29·7*	33·9	27·7	*−14·5*	11·6	5,245†	3,522
1979 *1*							4,924	
2								
1978 *J*	111·4	*− 7·3*	45·1	33·4	*− 9·1*	15·8	1,340	..
F	112·0	*+12·6*	43·3	30·7	*− 8·1*	15·0	1,523	..
M	121·3	*+28·6*	52·4	35·4	*+ 5·4*	16·2	2,094[6]	..
A	116·7	*− 1·6*	48·2	36·0	*+13·0*	16·3	1,684	..
M	103·9	*−13·5*	39·7	34·6	*− 2·3*	14·9	1,976[6]	..
J	107·6	*+ 1·9*	37·7	34·3	*+18·1*	14·5	1,618†	..
J	95·6	*−12·8*	37·1	33·5	*+ 1·6*	14·4	1,701	..
A	114·8	*+13·8*	50·2	31·3	*− 9·0*	14·0	1,442[6]	..
S	106·8	*− 8·0*	39·4	32·1	*− 4·3*	13·2	1,614	..
O	83·3	*−22·6*	37·0	26·2	*−22·7*	10·8	1,614	..
N	54·8	*−48·6*	26·8	24·4	*−20·4*	11·6	2,072	..
D	94·7	*−18·8*	37·8	32·5	*− 0·6*	12·3	1,559	..
1979 *J*	92·5	*−16·9*	34·7	34·5	*+ 3·3*	12·3	1,598[6]	..
F	104·2	*− 7·0*	39·3	37·7	*+22·6*	15·6	1,634	..
M	110·5	*− 8·9*	38·2	40·3	*+13·7*	17·1	1,692	..
A							1,754	
M								
J								

[1] Monthly averages or standardised calendar months.
[2] The totals are for 'usable steel' in accordance with the system used by the EEC and the International Iron and Steel Institute.
[3] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.
[4] 53-week period; reduced to 52-week basis for comparison purposes.
[5] 14-week period; reduced to 13-week basis for comparison purposes.
[6] Five-week periods.


Thousands, seasonally adjusted
Production of passenger cars
160
140
120
100
80
60
40
20
0
Total
of which:
For export
Production of commercial vehicles
40
20
0
Total
of which:
For export
1973
1974
1975
1976
1977
1978
1979

Output per person employed

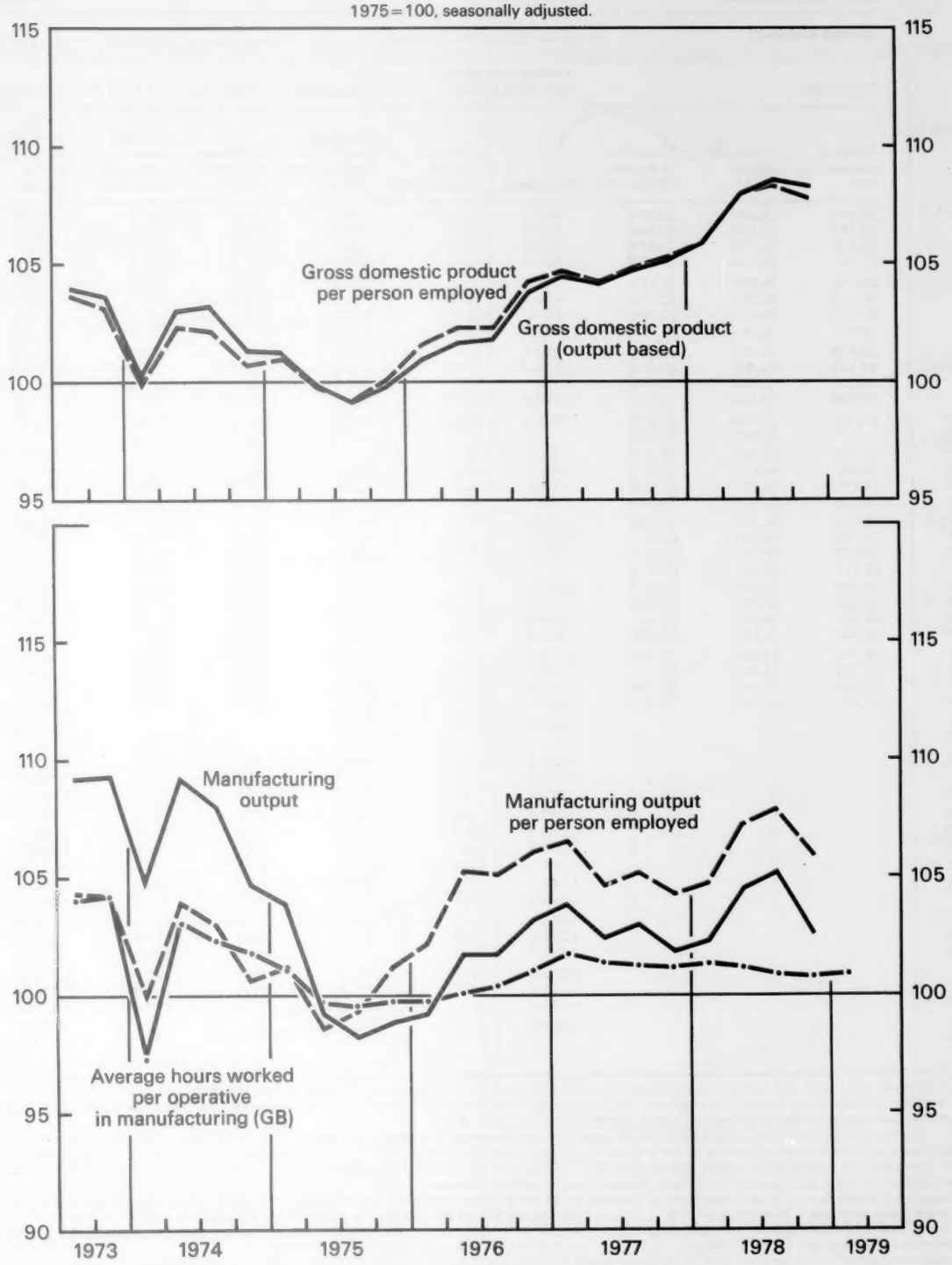
Seasonally adjusted

1975=100

	Total employed labour force	Employment		Output per person employed[1]		
		Index of production industries	Manufacturing industries	Whole economy	Index of production industries	Manufacturing industries
1968	99·8	111·1	109·9	90·3	87·4	85·7
1969	99·7	110·8	111·3	92·2	90·0	87·7
1970	99·4	109·3	111·0	94·0	91·4	88·3
1971	97·6	106·1	107·4	97·1	94·2	90·8
1972	98·3	103·4	103·9	99·5	98·7	96·3
1973	100·4	104·7	104·5	103·4	104·6	103·6
1974	100·7	104·4	104·7	101·2	100·7	101·8
1975	100·0	100·0	100·0	100·0	100·0	100·0
1976	99·5	97·6	97·0	102·6	104·5	104·6
1977	99·8	97·9	97·8	104·9	108·1	105·1
1978	100·2	97·4	97·4	107·5	112·6	106·4†
1972 *1*	97·9	103·5	104·4	96·5	93·2	91·1
2	97·9	103·4	104·0	100·0	99·4	96·0
3	98·4	103·3	103·8	100·0	99·9	97·1
4	99·0	103·6	103·7	101·3	102·5	100·9
1973 *1*	100·2	104·3	104·1	103·8	104·7	102·7
2	100·3	104·7	104·4	103·4	104·8	103·6
3	100·4	104·8	104·6	103·6	105·0	104·3
4	100·5	104·9	104·9	103·1	104·0	104·1
1974 *1*	100·3	104·6	104·8	99·8	98·1	99·7
2	100·6	104·5	105·0	102·4	103·0	103·9
3	101·0	104·1	104·9	102·2	102·6	103·0
4	100·7	104·2	104·1	100·7	99·3	100·5
1975 *1*	100·3	101·9	102·7	101·0	100·7	101·2
2	100·1	100·4	100·7	99·7	99·1	98·5
3	99·9	99·4	98·9	99·2	99·0	99·2
4	99·7	98·4	97·7	100·1	101·1	101·2
1976 *1*	99·4	97·9	97·0	101·6	102·2	102·2
2	99·4	97·5	96·7	102·3	104·4	105·2
3	99·5	97·4	96·9	102·3	104·3	105·0
4	99·7	97·6	97·3	104·2	107·1	106·0
1977 *1*	99·8	97·8	97·6	104·7	108·0	106·5
2	99·9	98·1	98·0	104·3	107·5	104·5
3	99·9	97·9	98·0	104·9	108·5	105·1
4	99·8	97·6	97·7	105·3	108·4	104·2
1978 *1*	99·9	97·7	97·7	106·0	109·5	104·6
2	100·0	97·7	97·6	108·0	113·4†	107·1
3	100·2	97·4	97·4	108·4	114·5	107·9†
4	100·5	97·1	96·9	107·8	113·0	105·8
		Percentage change, quarter on corresponding quarter of previous year				
1975 *3*	*−1·1*	*−4·5*	*−5·7*	*−2·9*	*−3·5*	*−3·7*
4	*−1·0*	*−5·6*	*−6·1*	*−0·6*	*+1·8*	*+0·7*
1976 *1*	*−0·9*	*−3·9*	*−5·6*	*+0·6*	*+1·5*	*+1·0*
2	*−0·7*	*−2·9*	*−4·0*	*+2·6*	*+5·3*	*+6·8*
3	*−0·4*	*−2·0*	*−2·0*	*+3·1*	*+5·4*	*+5·8*
4	—	*−0·8*	*−0·4*	*+4·1*	*+5·9*	*+4·7*
1977 *1*	*+0·4*	*−0·1*	*+0·6*	*+3·1*	*+5·7*	*+4·2*
2	*+0·5*	*+0·6*	*+1·3*	*+2·0*	*+3·0*	*−0·7*
3	*+0·4*	*+0·5*	*+1·1*	*+2·5*	*+4·0*	*+0·1*
4	*+0·1*	—	*+0·4*	*+1·1*	*+1·2*	*−1·7*
1978 *1*	*+0·1*	*−0·1*	*+0·1*	*+1·2*	*+1·4*	*−1·8*
2	*+0·1*	*−0·4*	*−0·4*	*+3·5*	*+5·5†*	*+2·5*
3	*+0·3*	*−0·5*	*−0·6*	*+3·3*	*+5·5*	*+2·7†*
4	*+0·7*	*−0·5*	*−0·8*	*+2·4*	*+4·2*	*+1·5*

[1] The ratios do not take into account part-time working or hours of work.
[2] Figures after June 1976 are provisional.

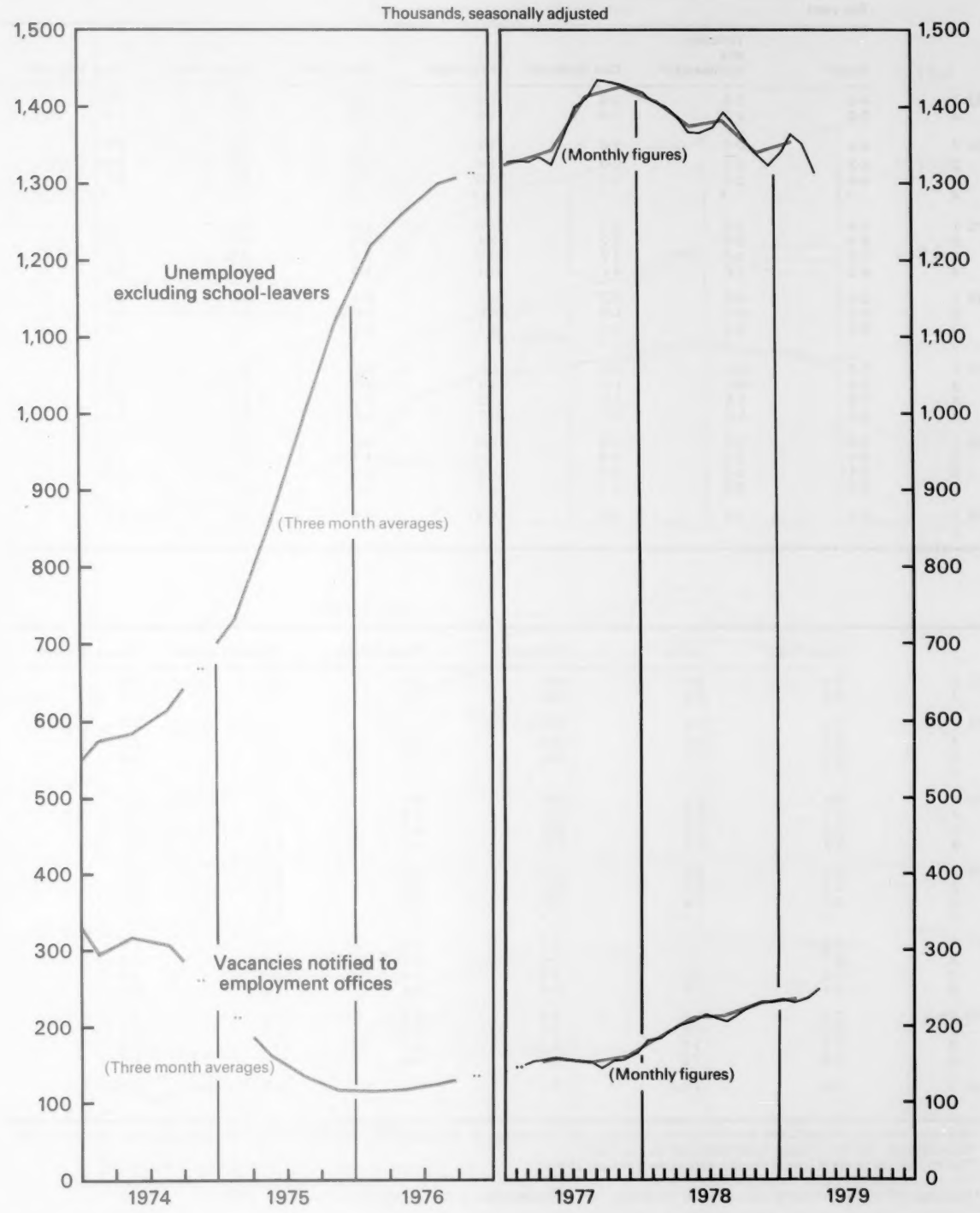
1975 = 100, seasonally adjusted.



National employment and unemployment[1]

	Seasonally adjusted								Unadjusted
	United Kingdom						Great Britain Manufacturing industry		United Kingdom
	Thousands			Unemployed excluding school leavers		Thousands	1975=100	1975=100	Thousands
	Working population[2]	Employed labour force[2]	Employees in employment[2,3,10]	Thousands	Percentage of employees[4]	Vacancies notified to employment offices§	Employees in employment[2,3]	Average hours worked per operative[8]	Total unemployed including school leavers
1967	25,532	24,985	22,806	547·2	*2·3*	175·1	111·0	104·7	556·7
1968	25,417	24,830	22,644	574·4	*2·4*	189·5	110·0	105·5	583·3
1969	25,409	24,844	22,611	566·3	*2·4*	202·0	111·5	105·6	576·2
1970	25,344	24,739	22,465	602·0	*2·6*	188·3	111·3	104·5	612·2
1971	25,166	24,390	22,113	775·8	*3·4*	130·9	107·5	102·6	792·1
1972	25,244	24,386	22,116	854·9	*3·7*	147·3	103·8	102·1	875·6
1973	25,601	24,971	22,663	611·0	*2·6*	307·0	104·5	103·9	618·8
1974	25,653	25,060	22,790	599·7[5]	*2·6*[5]	301·6[5]	105·0	101·1	614·9[5]
1975	25,846	24,933	22,711	929·1	*3·9*	148·1[5]	100·0	100·0	977·6
1976	26,134	24,763	22,541	1,269·9[5]	*5·3*[5]	120·0[6]	96·7	100·3	1,358·8[5]
1977	26,354	24,867	22,654	1,378·1	*5·8*	155·6[5]	98·1	101·3	1,483·6
1978	26,386	24,906	22,702	1,375·6	*5·8*	210·3	97·5	101·1	1,475·0
1974 *3*	25,751	25,140	22,878	613·0	*2·6*	308·2	104·8	102·3	628·3
4	..[7]	25,078	22,830	..[7]	..[7]	..[7]	103·8	101·8	..[7]
1975 *1*	25,763	24,966	22,733	735·2	*3·1*	..[7]	102·2	101·1	788·7
2	25,846	24,933	22,711	858·5	*3·6*	163·0	100·0	99·6	853·8
3	25,975	24,885	22,659	994·6	*4·2*	133·8	98·4[8]	99·5	1,095·5
4	26,034	24,824	22,599	1,128·2	*4·8*	115·5	97·4	99·7	1,172·3
1976 *1*	26,054	24,761	22,538	1,219·9	*5·1*	114·7	96·7	99·7	1,297·5
2	26,134	24,763	22,541	1,260·7	*5·3*	118·1	96·7	100·0	1,294·9
3	26,168[8]	24,781	22,557[8]	1,300·1	*5·4*	125·0	97·0	100·4	1,473·7
4	26,214	24,827	22,607	..[9]	..[9]	..[7]	97·3	101·0	..[9]
1977 *1*	26,249	24,847	22,631	1,329·5	*5·6*	..[7]	97·8	101·7	1,417·8
2	26,354	24,867	22,654	1,340·6	*5·6*	157·7	98·1	101·3	1,394·7
3	26,401	24,871	22,657	1,414·6	*5·9*	151·9	98·0	101·2	1,622·4
4	26,349	24,846	22,636	1,427·8	*6·0*	160·1	97·7	101·1	1,499·4
1978 *1*	26,372	24,885	22,678	1,409·4	*5·9*	187·7	97·7	101·3	1,506·1
2	26,386	24,906	22,702	1,372·7	*5·7*	210·3	97·5	101·1	1,428·2
3	26,380	24,948	22,742	1,380·6	*5·8*	213·0	97·2	100·9	1,570·6
4	26,415	25,025	22,822	1,339·7	*5·6*	230·3	96·8	100·8	1,395·3
1979 *1*				1,350·7	*5·7*	234·6			1,436·5
2									
1978 *J*	..	..	..	1,419·2	*5·9*	180·3	97·7	101·3	1,548·5
F	..	..	..	1,409·0	*5·9*	187·0	97·7	101·2	1,508·7
M	..	..	..	1,400·0	*5·9*	195·8	97·7	101·5	1,461·0
A	..	..	..	1,387·1	*5·8*	203·7	97·6	101·3	1,451·8
M	..	..	..	1,366·4	*5·7*	209·9	97·6	101·1	1,386·8
J	..	..	..	1,364·7	*5·7*	217·4	97·5	100·9	1,446·1
J	..	..	..	1,371·4	*5·7*	211·0	97·6	101·0	1,585·8
A	..	..	..	1,392·1	*5·8*	209·3	97·4	100·8	1,608·3
S	..	..	..	1,378·3	*5·8*	218·7	97·2	101·0	1,517·7
O	..	..	..	1,359·6	*5·7*	228·4	97·0	100·9	1,429·5
N	..	..	..	1,338·8	*5·6*	231·3	96·9	100·8	1,392·0
D	..	..	..	1,320·7	*5·5*	231·2	96·8	100·8	1,364·3
1979 *J*	..	..	..	1,339·1	*5·6*	235·9	96·7	100·3	1,455·3
F	..	..	..	1,362·5	*5·7*	230·9	96·6	100·9	1,451·9
M	..	..	..	1,350·4	*5·7*	237·0	96·5	101·4	1,402·3
A	..	..	..	1,310·9†	*5·5*†	249·7			1,340·6
M	..	..	..						
J	..	..	..						

[1] Unemployment figures do not include adult students registered for temporary employment during a current vacation.
[2] The working population consists of the employed labour force and the unemployed (including school-leavers); the employed labour force includes employers, self-employed and HM Forces as well as employees in employment.
[3] From 1971, the employees in employment estimates are based on annual census of employment. For the years before 1971 estimates are taken from the continuous employment series published in the October 1975 issue of the *Department of Employment Gazette*. Annual estimates relate to mid-year. From June 1976 the employees in employment figures for the UK are provisional until the publication of the results of the Census of Employment for June 1977. A constant component for Northern Ireland is included from December 1977.
[4] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed): the latest figure available is that for mid-1976.
[5] The figures shown are averages of eleven months figures.
[6] The figures shown are averages of ten months figures.
[7] Figure not available due to industrial action. For further details see note to page 129 of the *Department of Employment Gazette*, February 1975.
[8] Estimates after June 1976 are provisional.
[9] Because of industrial action by some staff in the Department of Employment group, figures for these months are not available.
[10] The figures for employees in employment in the United Kingdom include recent small revisions to the Northern Ireland figures.


Thousands, seasonally adjusted
1,500
1,400
1,300
1,200
1,100
1,000
900
800
700
600
500
400
300
200
100
0
Unemployed
excluding school-leavers
(Three month averages)
(Monthly figures)
Vacancies notified to
employment offices
(Three month averages)
(Monthly figures)
1974
1975
1976
1977
1978
1979

Regional unemployment rates[1]

Seasonally adjusted

Per cent

	North[2]	Yorkshire and Humberside[2]	East Midlands[2]	East Anglia	South East[2]	South West[2]	West Midlands
1973 3	4·3	2·6	1·9	1·8	1·4	2·3	2·0
4	3·9	2·3	1·8	1·6	1·3	2·1	1·7
1974 1	4·3	2·6	2·0	1·7	1·5	2·3	2·0
2	4·3	2·5	2·0	1·8	1·5	2·5	2·0
3	4·5	2·6	2·2	2·0	1·6	2·7	2·1
4	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]
1975 1	4·8	3·0	2·7	2·6	2·0	3·6	2·7
2	5·2	3·5	3·2	3·1	2·4	4·2	3·5
3	5·7	4·0	3·7	3·6	2·9	4·8	4·2
4	6·2	4·6	4·1	4·1	3·4	5·4	5·0
1976 1	6·4	4·9	4·3	4·4	3·8	5·8	5·4
2	6·7	5·1	4·3	4·5	3·9	6·0	5·4
3	6·9	5·2	4·6	4·7	4·1	6·1	5·4
4	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]
1977 1	7·3	5·1	4·6	4·9	4·2	6·4	5·2
2	7·4	5·1	4·6	5·0	4·2	6·4	5·3
3	7·8	5·5	4·9	5·2	4·4	6·7	5·5
4	8·1	5·6	4·9	5·2	4·4	6·8	5·4
1978 1	8·4	5·6	4·9	5·0	4·2	6·6	5·2
2	8·1	5·6	4·8	4·9	4·1	6·3	5·2
3	8·1	5·7	4·8	4·9	4·0	6·2	5·2
4	8·2	5·5	4·7	4·7	3·8	6·0	5·1
1979 1	8·4	5·6	4·7	4·8	3·8	5·9	5·2
2							

	North West[2]	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1973 3	3·3	3·2	4·2	2·4	5·7	2·5
4	2·9	3·0	3·8	2·2	5·3	2·3
1974 1	3·2	3·5	3·9	2·4	5·3	2·5
2	3·2	3·5	3·8	2·4	5·2	2·5
3	3·4	3·7	3·9	2·6	5·6	2·6
4	..[3]	..[3]	..[3]	..[3]	5·9	..[3]
1975 1	4·1	4·2	4·2	3·1	6·1	3·1
2	4·7	4·9	4·6	3·6	6·9	3·6
3	5·3	5·6	5·2	4·1	7·6	4·2
4	5·9	6·3	5·7	4·7	8·6	4·8
1976 1	6·3	6·6	6·0	5·0	8·8	5·1
2	6·4	6·7	6·4	5·2	9·2	5·3
3	6·5	6·8	6·7	5·4	9·5	5·4
4	..[4]	..[4]	..[4]	..[4]	9·6	..[4]
1977 1	6·6	7·1	7·3	5·5	9·8	5·6
2	6·7	7·2	7·4	5·5	10·0	5·6
3	7·0	7·6	7·8	5·8	10·4	5·9
4	7·1	7·9	8·0	5·9	10·4	6·0
1978 1	7·0	7·9	8·0	5·8	10·8	5·9
2	6·9	7·8	7·7	5·6	11·0	5·8
3	7·1	7·9	7·6	5·7	11·2	5·8
4	6·8	7·8	7·5	5·5	10·7	5·6
1979 1	6·9	7·9	7·7	5·5	11·0	5·7
2						

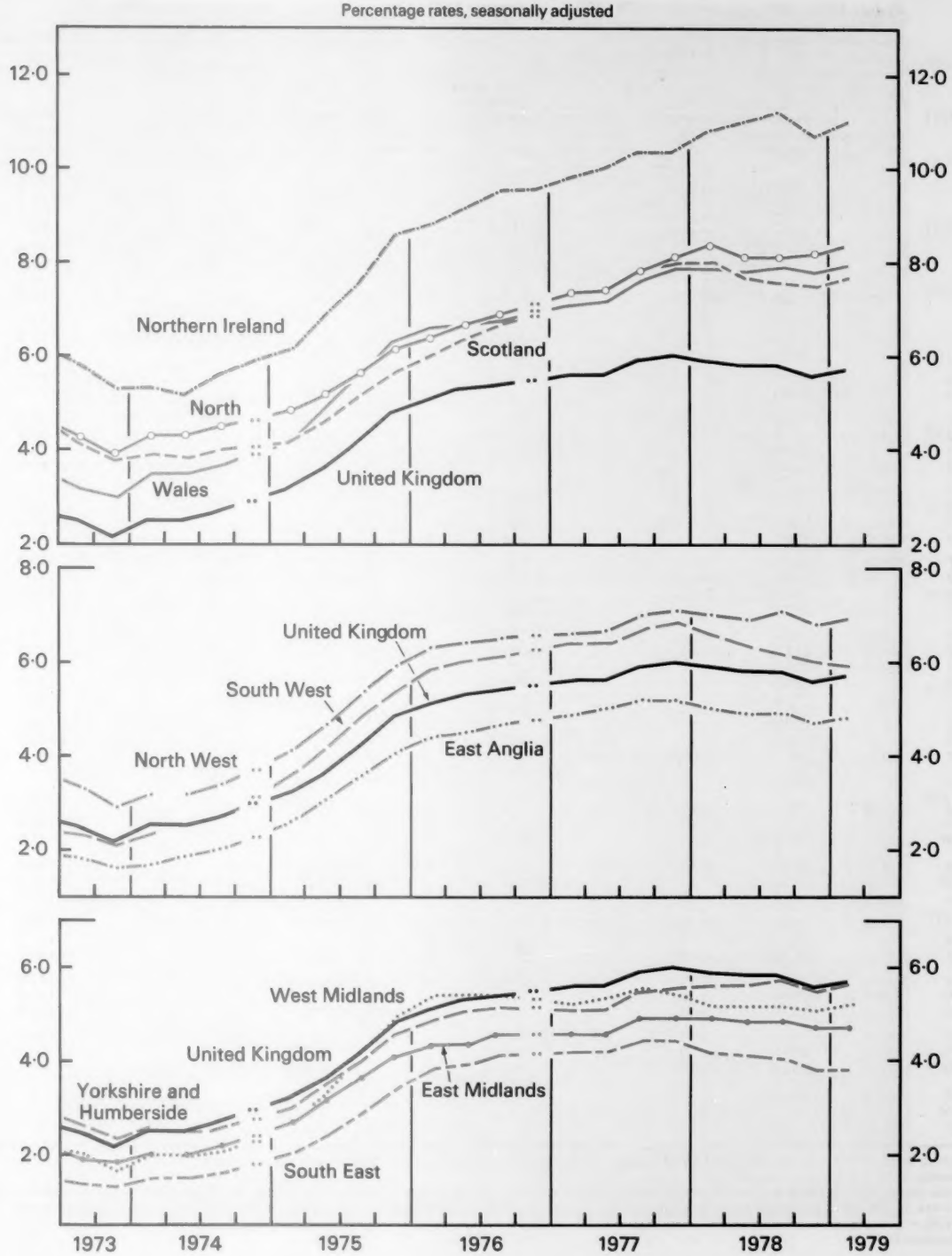
[1] Numbers unemployed excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed). The latest figure available is that for mid-1976.

[2] The boundaries of the standard regions were revised in April 1974.

[3] Figure not available due to industrial action. For further details see note on page 129 of the *Department of Employment Gazette*, February 1975.

[4] Because of industrial action by some staff in the Department of Employment group, figures are not available.

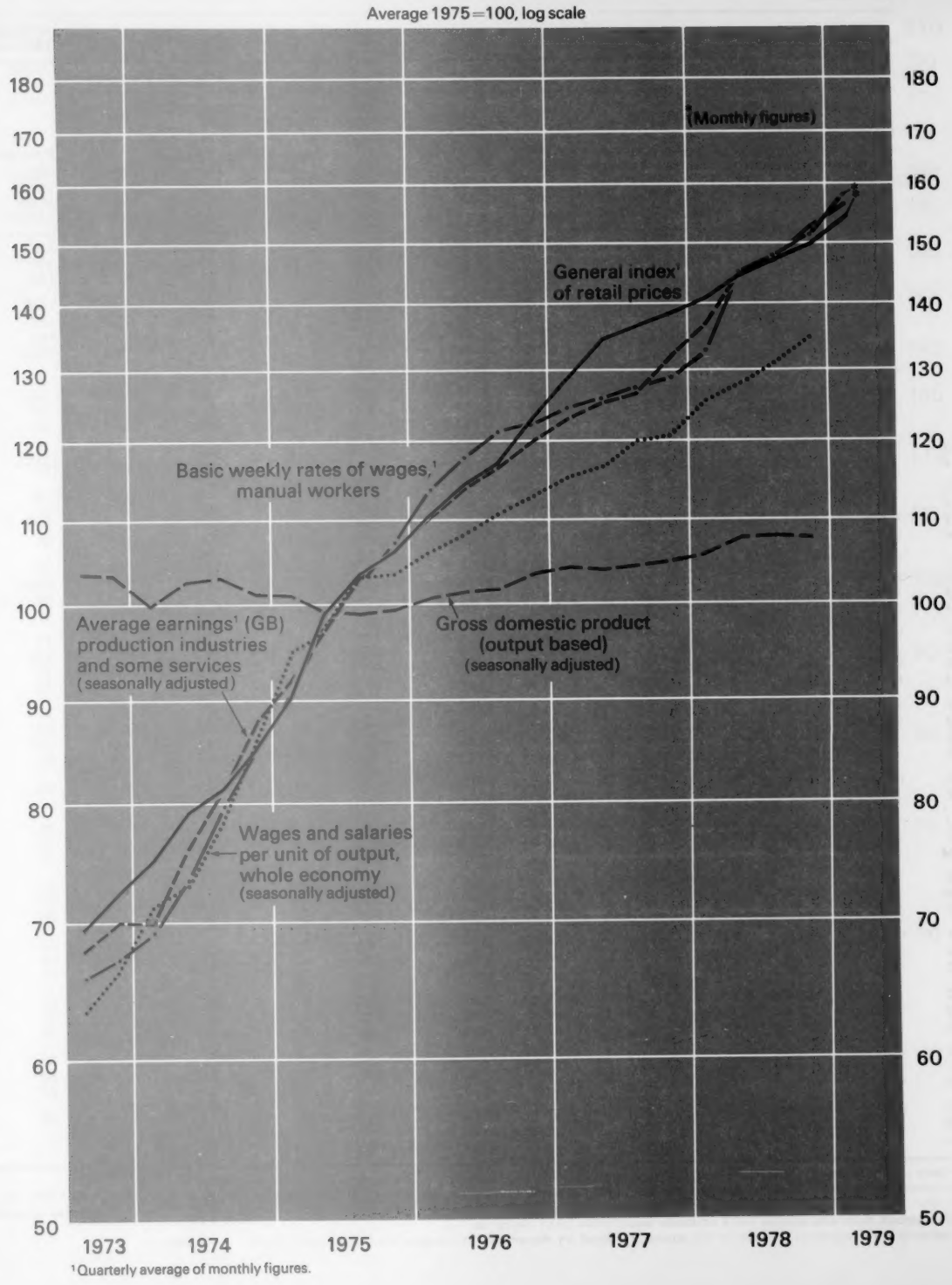
Percentage rates, seasonally adjusted



Wage rates and earnings

	Unadjusted				Seasonally adjusted					
	31 July 1972 =100[1]		January 1976 =100		January 1970 =100				1975 =100	
	Basic weekly wage rates (manual workers)		Average earnings (GB)						Wages and salaries per unit of output	
	All industries and services	Manufacturing industry	New series: whole economy	*Percentage increase on year earlier*	Older series: production industries and some services	*Percentage increase on year earlier*	Manufacturing industry	*Percentage increase on year earlier*	Whole economy	Manufacturing industry
1968	68·1	68·4	..	..	88·2	*7·8*	87·8	*8·2*	43·4	42·5
1969	71·7	72·1	..	..	95·2	*7·8*	94·9	*8·1*	44·8	45·2
1970	78·8	79·4	..	..	106·7	*12·1*	107·0	*12·7*	49·2	50·8
1971	89·0	89·3	..	..	118·7	*11·3*	118·9	*11·2*	53·8	55·6
1972	101·3	101·5	..	..	134·0[2]	..[3]	134·2[2]	..[3]	58·4	57·9
1973	115·2	114·6	..	..	152·1	..[3]	151·5	..[3]	62·9	61·2
1974	138·0	134·3	..	..	179·1	*17·8*	177·5	*17·2*	77·5	75·6
1975	178·7	174·4	..	..	226·6	*26·5*	223·8	*26·1*	100·0	100·0
1976	213·2	209·0	106·0	..	261·8	*15·6*	260·7	*16·5*	110·0	113·7
1977	227·3	218·9	115·6	*9·1*	288·5	*10·2*	287·6	*10·3*	118·5	125·3
1978	259·2	258·7	130·6	*13·0*	330·2	*14·5*	329·6	*14·6*	130·5	
1973 *3*	118·1	117·8	..	..	154·5	*14·5*	153·6	*13·2*	63·7	61·7
4	120·6	120·7	..	..	159·2	*12·5*	159·1	*13·3*	66·7	64·6
1974 *1*	124·3	122·7	..	..	159·1[4]	*10·2*[4]	157·4[4]	*9·5*[4]	71·6	67·2
2	131·7	128·0	..	..	172·5	*14·9*	171·2	*14·5*	73·3	71·6
3	143·2	139·4	..	..	185·1	*19·9*	184·0	*19·7*	78·7	78·0
4	152·7	147·1	..	..	199·6	*25·4*	197·5	*24·2*	86·4	85·9
1975 *1*	162·7	155·1	..	..	209·5	*31·6*	207·4	*31·8*	95·1	91·1†
2	175·3	171·9	..	..	220·2	*27·6*	216·8	*26·6*	97·3	98·2
3	184·3	180·5	..	..	234·0	*26·4*	230·7	*25·4*	103·9	103·8
4	192·6	190·1	..	..	242·7	*21·6*	240·6	*21·8*	103·7	107·1
1976 *1*	204·2	201·5	101·0	..	250·7	*19·7*	248·9	*20·0*	106·6	110·3
2	211·5	209·0	105·2	..	258·1	*17·2*	257·6	*18·8*	108·9	111·7
3	217·8	212·5	107·9	..	265·9	*13·6*	265·1	*14·9*	111·3	115·6
4	219·3	213·1	110·1	..	272·7	*12·3*	271·3	*12·8*	113·2	117·3
1977 *1*	223·3	215·7	111·8	*10·7*	280·2	*11·8*	278·6	*11·9*	115·8	120·1
2	225·9	217·9	114·5	*8·8*	284·4	*10·2*	283·2	*9·9*	117·0	123·5
3	228·7	220·2	116·4	*7·9*	289·1	*8·7*	288·2	*8·7*	120·3	126·0
4	231·2	221·7	119·9	*8·9*	300·3	*10·1*	300·3	*10·7*	121·0	131·6
1978 *1*	237·7	226·1	123·1	*10·1*	310·9	*11·0*	311·6	*11·8*	126·3	136·0
2	260·6	263·9	129·9	*13·5*	327·8	*15·3*	326·9	*15·5*	129·1	139·5
3	265·8	267·9	133·2	*14·4*	335·7	*16·1*	334·5	*16·1*	131·4	142·4
4	272·6	280·6	136·5[5]	*13·8*[5]	346·4	*15·3*	345·4	*15·0*	135·1	150·1
1979 *1*	281·9	280·6								
1978 *J*	236·6	225·6	121·5	*9·5*	306·7	*10·2*	308·0	*11·4*	..	134·5†
F	237·9	226·0	122·7	*10·5*	311·5	*11·6*	311·9	*12·2*	..	136·2
M	238·7	226·6	125·0	*10·4*	314·6	*11·2*	314·9	*12·0*	..	137·4
A	258·5	262·1	127·2	*12·4*	324·1	*14·8*	325·2	*15·6*	..	138·5
M	259·9	263·8	129·4	*12·6*	326·2	*14·5*	325·1	*14·4*	..	139·5
J	263·5	265·7	133·1	*15·4*	333·0	*16·5*	330·6	*16·3*	..	140·6
J	264·8	265·9	133·6	*14·2*	333·2	*16·3*	332·1	*16·2*	..	140·6
A	266·2	268·6	131·7	*13·9*	334·7	*15·9*	333·5	*15·9*	..	141·8
S	266·5	269·1	134·2	*15·1*	339·2	*16·2*	338·0	*16·2*	..	144·7
O	270·6	276·1	135·2	*14·7*	344·5	*16·5*	343·3	*16·5*	..	147·3
N	272·7	277·4	136·1	*13·3*	344·5	*14·4*	343·2	*13·8*	..	149·2
D	274·8†	277·5	138·0	*13·3*	350·1	*15·1*	349·7	*14·8*	..	153·8
1979 *J*	282·3	283·2†	135·7	*11·7*	344·7	*12·4*	345·5	*12·2*	..	154·9
F	284·4	283·6	141·1	*15·0*	355·6	*14·1*	357·3	*14·6*	..	
M	284·8	283·9	143·4[5]	*14·6*[5]	368·0[5]	*17·0*[5]	267·9[5]	*16·9*[5]	..	
A	285·8[5]	285·7[5]								
M										
J										

[1] Prior to July 1972 the series was based on 31 January 1956 =100. Figures before July 1972 have therefore been linked.
[2] Average of 11 months. See footnote[3].
[3] In the absence of earnings data for February 1972 due to the effects of the coalmining dispute, no index of wages and salaries per unit of output or index of average earnings has been calculated for that month. The indices calculated for January and March 1972 are less reliable than usual.
[4] The figures reflect temporary reductions in earnings while three-day working and other restrictions were in operation.
[5] Provisional.



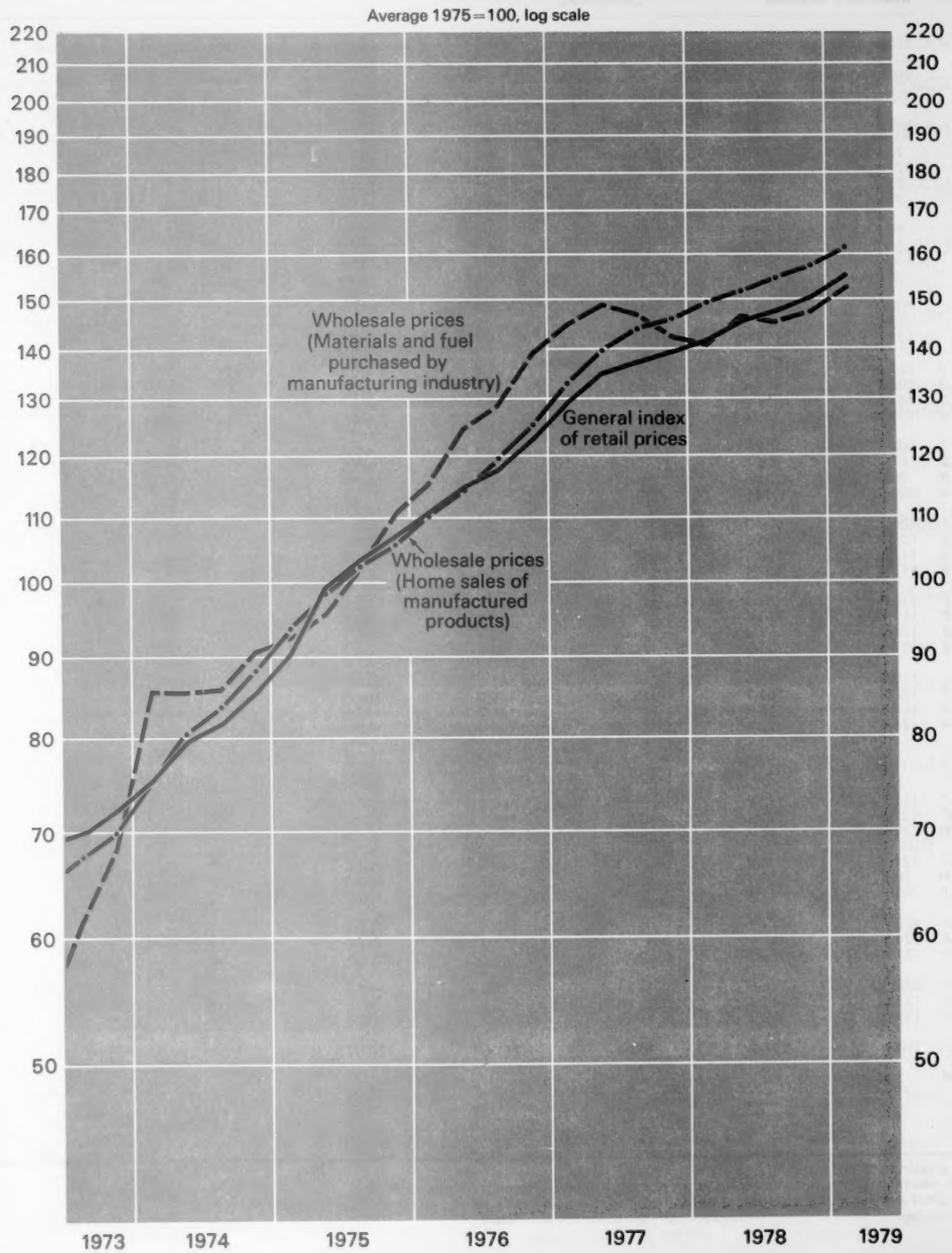
[1] Quarterly average of monthly figures.

Prices

Unadjusted

	Average 1975=100										Average 1975=100 p
	Wholesale prices index		General index of retail prices						Pensioner price index[1]		
	Materials and fuel purchased by manufacturing industry[2]	Output of all manufactured products Home sales[3]	All items Index	All items *Percentage increase on year earlier*	Total food	Total non-food	All items other than seasonal food Index	All items other than seasonal food *Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[4]
1968	37·2	48·7	48·4	*4·7*	42·6	50·5	48·9	*4·8*	46·8	46·9	207
1969	38·7	50·5	51·0	*5·4*	45·3	53·1	51·5	*5·2*	49·2	49·5	196
1970	40·7	54·1	54·2	*6·4*	48·5	56·3	54·8	*6·5*	52·7	52·8	184
1971	42·5	59·0	59·3	*9·4*	53·9	61·4	60·0	*9·5*	58·0	58·0	169
1972	44·4	62·1	63·6	*7·1*	58·6	65·3	64·1	*6·9*	62·4	62·3	157
1973	58·8	66·7	69·4	*9·2*	67·5	70·1	69·4	*8·3*	68·4	68·7	144
1974	86·8	81·8	80·5	*16·1*	79·6	80·8	80·5	*16·0*	79·5	79·8	124
1975	100·0	100·0	100·0	*24·2*	100·0	100·0	100·0	*24·2*	100·0	100·0	100
1976	127·0	117·3	116·5	*16·5*	120·0	115·6	115·8	*15·8*	119·1	118·8	86
1977	145·6	140·5	135·0	*15·8*	142·8	132·8	134·3	*16·0*	139·1	138·7	74
1978	144·6	153·3	146·2	*8·2*	152·9	144·3	146·5	*9·0*	150·4	149·8	68
1974 *3*	85·6	83·7	81·7	*17·0*	79·8	82·4	81·9	*17·0*	80·4	80·8	122
4	90·6	88·0	85·4	*18·2*	84·5	85·7	85·5	*18·5*	84·6	84·8	117
1975 *1*	92·2	93·7	90·5	*20·3*	91·4	90·2	90·7	*20·7*	89·9	89·9	110
2	95·5	98·5	99·1	*24·3*	99·8	98·8	99·0	*24·4*	99·5	99·6	101
3	101·8	102·1	103·4	*26·5*	102·5	103·7	103·4	*26·3*	103·1	103·3	97
4	110·5	105·7	107·0	*25·3*	106·1	107·3	106·9	*25·0*	107·4	107·3	93
1976 *1*	115·4	110·3	110·9	*22·5*	113·6	110·1	110·1	*21·3*	112·8	112·6	90
2	124·6	114·5	114·9	*16·0*	117·7	114·1	113·9	*15·1*	117·3	116·9	87
3	128·9	119·2	117·6	*13·7*	119·1	117·1	117·3	*13·4*	119·6	119·2	85
4	138·9	125·2	123·0	*15·0*	129·6	121·0	122·0	*14·0*	126·9	126·4	81
1977 *1*	144·8	133·0	129·2	*16·5*	138·6	126·4	127·7	*16·1*	132·6	132·9	77
2	148·8	139·6	134·9	*17·4*	143·3	132·5	133·6	*17·3*	138·4	138·4	74
3	146·5	143·8	137·0	*16·5*	144·1	135·0	136·8	*16·7*	141·6	140·7	73
4	142·2	145·8	139·0	*13·0*	145·0	137·3	139·3	*14·2*	143·9	142·9	72
1978 *1*	140·2	149·2	141·4	*9·5*	148·0	139·5	141·6	*10·8*	146·3	145·5	71
2	146·3	151·8	145·3	*7·6*	152·9	143·1	145·2	*8·6*	150·0	149·3	69
3	144·9	154·8	147·8	*7·9*	154·7	145·9	148·2	*8·3*	151·9	151·3	68
4	147·1	157·3	150·3	*8·1*	156·0	148·6	150·8	*8·3*	153·4	153·0	67
1979 *1*	152·1[5]	161·6[5]	155·0	*9·6*	164·2	152·4	154·7	*9·3*	159·2	158·6	65
2											
1978 *J*	139·4	148·3	140·6	*9·9*	147·1	138·7	140·8	*11·3*	..	..	71
F	139·1	149·2	141·4	*9·5*	148·0	139·5	141·7	*11·0*	..	..	71
M	142·0	150·0	142·3	*9·1*	148·8	140·4	142·4	*10·4*	..	..	70
A	145·1	150·9	144·4	*7·9*	151·2	142·4	144·3	*9·1*	..	..	69
M	146·8	151·9	145·2	*7·7*	152·4	143·1	145·2	*8·6*	..	..	69
J	147·0	152·7	146·3	*7·4*	155·1	143·8	146·0	*8·1*	..	..	68
J	145·8	153·8	147·0	*7·8*	154·6	144·8	147·1	*8·3*	..	..	68
A	144·2	154·8	147·9	*8·0*	154·7	146·0	148·3	*8·4*	..	..	68
S	144·8	155·7	148·5	*7·8*	154·8	146·8	149·1	*8·2*	..	..	67
O	145·7	156·6	149·2	*7·8*	154·2	147·7	149·8	*8·1*	..	..	67
N	147·3	157·1	150·2	*8·1*	156·0	148·6	150·9	*8·3*	..	..	67
D	148·3	158·3	151·5	*8·4*	157·9	149·6	151·8	*8·5*	..	..	66
1979 *J*	150·8	160·0	153·7	*9·3*	163·2	151·0	153·4	*9·0*	..	..	65
F	152·2	161·7	155·0	*9·6*	164·1	152·4	154·8	*9·3*	..	..	65
M	153·3[5]	163·1[5]	156·2	*9·8*	165·2	153·7	155·9	*9·5*	..	..	64
A	157·6[5]	165·3[5]	158·9	*10·1*	166·2	156·8	158·4	*9·7*	..	..	63
M											
J											

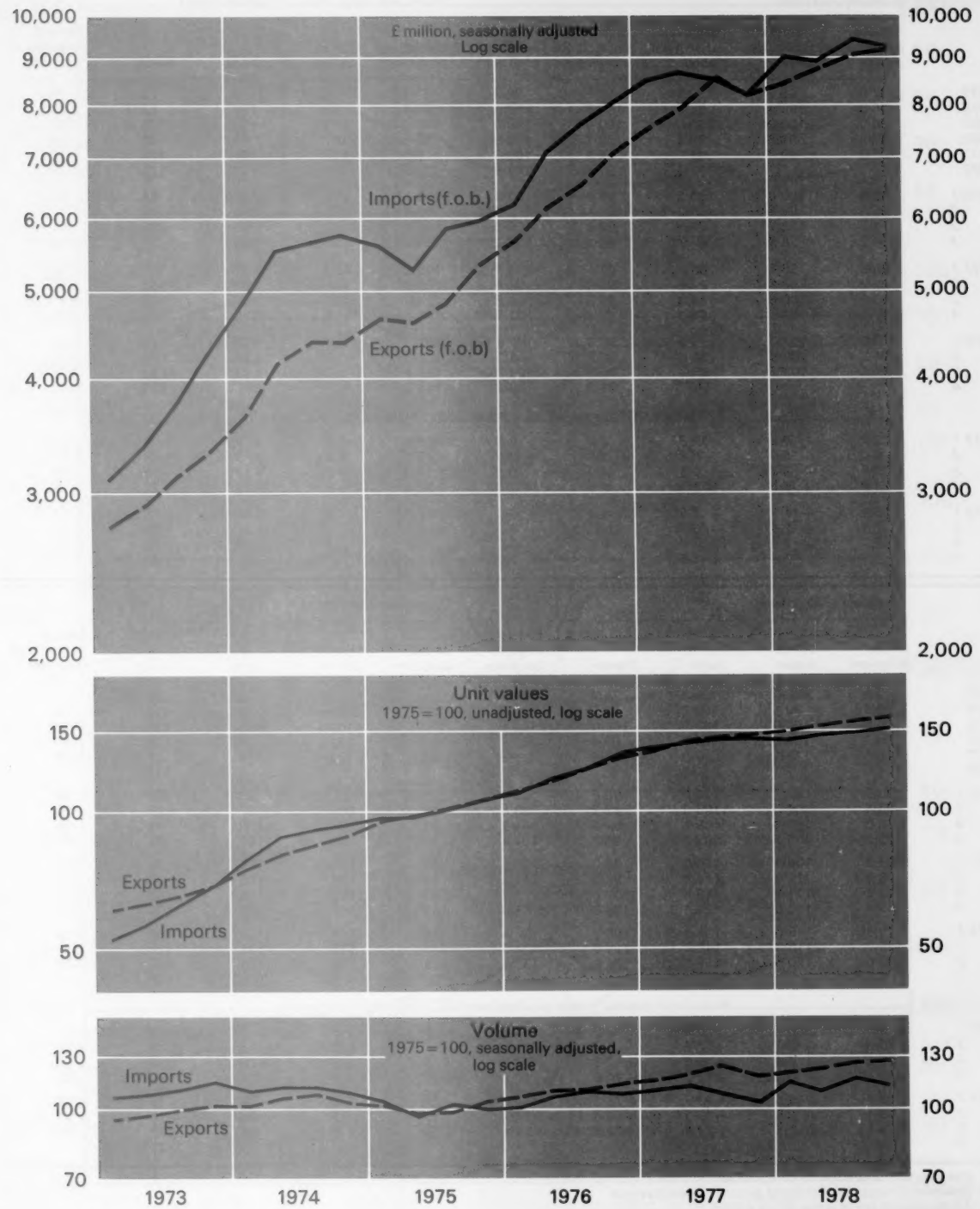
[1] All items except housing. [2] Revised method of calculation to include levies on certain imported foods from 3rd quarter 1971.
[3] Reductions in the VAT-exclusive prices of alcoholic liquor, tobacco and cigarettes, matches and mechanical lighters took place in April 1973. These reductions resulted from lower revenue duties designed to offset additional tax revenue from VAT. With unchanged prices in April for these products index numbers from 2nd quarter 1973 onwards would have been higher by 1·7.
[4] Movements in the purchasing power of the pound are based on movements in the general index of retail prices. [5] Provisional.


Average 1975=100, log scale
220
210
200
190
180
170
160
150
140
130
120
110
100
90
80
70
60
50
Wholesale prices
(Materials and fuel
purchased by
manufacturing industry)
General index
of retail prices
Wholesale prices
(Home sales of
manufactured
products)
1973
1974
1975
1976
1977
1978
1979

Visible trade

	Seasonally adjusted		Unadjusted				
	1975=100		1975=100			1970=100	December 1971=100
	Volume indices[1]		Unit value indices[1]			World commodity prices index[3]	Sterling effective exchange rate
	Exports	Imports	Exports	Imports	Terms of trade[2]		
1968	70·2	77·1	46·2	39·2	117·9	91	..
1969	77·1	77·9	47·7	40·4	118·1	96	..
1970	80·3	82·6	50·9	42·2	120·6	100	..
1971	85·5	85·8	53·8	44·2	121·7	105	..
1972	85·2	95·3	56·9	46·7	121·8	116	95·2
1973	97·7	108·8	64·1	59·6	107·6	168	86·3
1974	104·2	109·7	81·7	87·4	93·5	295	83·6
1975	100·0	100·0	100·0	100·0	100·0	300	77·2
1976	109·7	105·6	120·7	121·8	99·1	385	65·4
1977	118·9	107·2	142·5	141·3	100·8	434	62·1
1978	122·9	112·6	155·1	146·4	105·9	404[5]	63·0
1974 *1*	101·0	108·2	74·2	78·4	94·6	298	83·1
2	106·2	111·4	80·3	87·9	91·4	287	84·7
3	107·5	110·8	84·2	90·4	93·1	292	84·2
4	102·3	108·4	88·3	93·0	94·9	303	82·6
1975 *1*	100·9	102·1	95·2	96·5	98·7	287	81·7
2	97·1	95·7	97·5	97·1	100·4	284	79·1
3	98·0	102·4	101·6	100·8	100·8	306	75·2
4	104·0	99·8	105·7	105·6	100·1	324	73·0
1976 *1*	106·2	100·2	110·6	110·1	100·5	338	72·0
2	109·7	106·3	116·9	118·7	98·5	381	65·8
3	110·1	108·5	123·9	124·7	99·4	395	64·1
4	113·0	107·4	131·5	133·9	98·2	423	59·6
1977 *1*	115·9	108·8	135·8	137·1	99·1	440	61·8
2	117·7	110·6	141·5	140·7	100·6	450	61·6
3	124·6	107·3	145·3	143·4	101·3	432	61·8
4	117·3	102·3	147·4	143·9	102·4	412	63·3
1978 *1*	119·6	113·5	149·6	141·5	105·7	397	65·4
2	122·2	109·7	153·2	146·0	104·9	417	61·5
3	124·8	114·9	157·0	148·0	106·1	402[5]	62·4
4	124·8	112·3	160·6	150·3	106·9	404[5]	62·7
1979 *1*							64·0
2							
1978 *J*	111·0	112·8	149·5	140·6	106·3	..	66·0
F	127·3	111·4	149·1	141·4	105·4	..	66·0
M	120·4	116·3	150·2	142·5	105·4	..	64·1
A	124·3	104·8	151·5	144·5	104·8	..	61·8
M	120·5	113·3	153·5	145·7	105·4	..	61·5
J	121·9	111·1	154·5	147·6	104·7	..	61·3
J	125·7	114·3	155·3	147·4	105·4	..	62·1
A	124·5	111·3	157·0	147·8	106·2	..	62·4
S	124·3	119·1	158·7	148·6	106·8	..	62·7
O	125·9	110·8	159·1	149·7	106·3	..	62·5
N	122·5	113·7	161·3	150·1	107·5	..	62·5
D	126·0	112·5	161·5	151·0	107·0	..	63·2
1979 *J*	113·1	107·3	163·3	151·6	107·7	..	63·5
F						..	63·7
M						..	65·0
A						..	66·9
M						..	
J						..	

[1] On a balance of payments basis.
[2] Unit value index for exports expressed as a percentage of unit value index for imports.
[3] Weighted average, in sterling terms, of United Nations Index numbers for primary commodities and non-ferrous metals.
[4] Provisional. [5] Projection by the Department of Industry.


£ million, seasonally adjusted
Log scale
Imports(f.o.b.)
Exports (f.o.b)
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
Unit values
1975=100, unadjusted, log scale
Exports
Imports
150
100
50
Volume
1975=100, seasonally adjusted, log scale
Imports
Exports
130
100
70
1973
1974
1975
1976
1977
1978

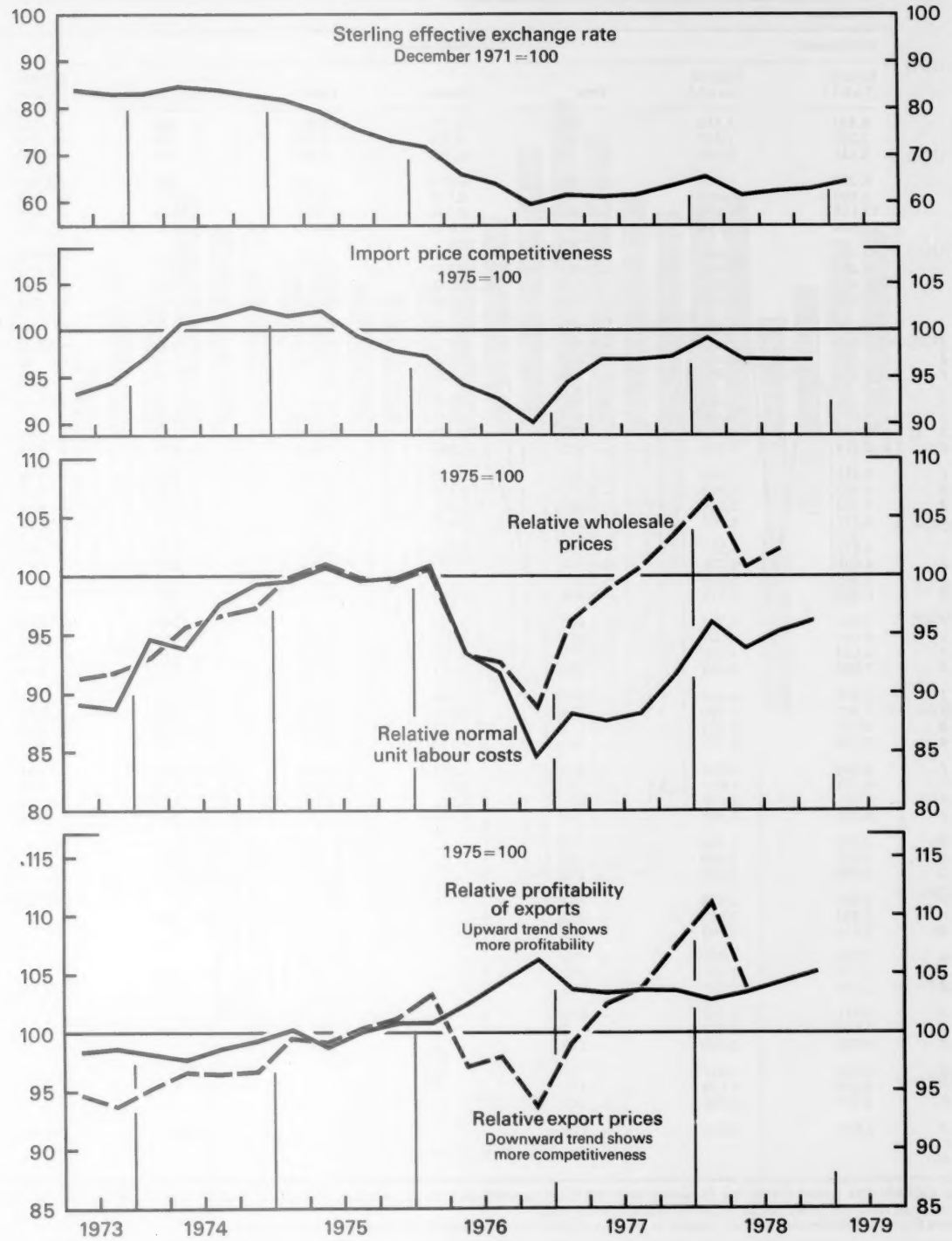
Measures of UK trade competitiveness

1975 =100

	Summary measures[1]					Export unit value index for manufactures[3]				
	Relative export prices[2]	Relative wholesale prices[2]	Relative normal unit labour costs[2]	Import price competitiveness	Relative profitability of exports	United Kingdom	United States	Japan	France	Federal Republic of Germany
1973	97·8	95·7	92·6†	95·9	98·2	71·7	71	79	72	75
1974	96·3	95·6	96·6	100·5	98·5	85·6	86	101	82	88
1975	100·0	100·0	100·0	100·0	100·0	100·0	100	100	100	100
1976	97·6	93·8	92·6	93·7	103·5	98·3	107	99	98	100
1977	103·0	99·8	89·1	96·4	103·6	112·6	112	108	105	110
1978			95·4	97·4	103·9	135·9			122	127
1976 *1*	102·0	100·6	100·8	97·3	100·9	100·3	104	99	98	96
2	96·4	93·2	93·2	94·1	102·5	95·6	106	98	98	97
3	97·9	92·7	91·5	92·8	104·4	99·1	107	99	98	101
4	94·2	88·6	84·7†	90·5	106·2	98·4	110	100	98	106
1977 *1*	98·8	96·1	88·2	94·4	103·7	105·2	110	103	102	107
2	102·2	98·8	87·8	96·9	103·4	109·9	111	107	103	108
3	103·6	100·8	88·3	96·8	103·6	114.0	113	110	107	111
4	107·2	103·5	91·9	97·4	103·5	121·4	116	115	109	115
1978 *1*	110·5	107·0	96·0	98·9	102·9	131·3	117	118	113	122
2	104·2	100·8	93·9	96·9	103·3	127·8		134	118	122
3	107·4[4]	102·2	95·3	96·9	104·2	138·4		142	126	127
4			96·2	96·9	105·2	146·2			128	137
				Percentage change, quarter on corresponding quarter of previous year.						
1977 *1*	*− 3·1*	*− 4·5*	*−12·5*	*− 3·0*	*+ 2·8*	*+ 4·9*	*+6*	*+ 4*	*+ 4*	*+11*
2	*+ 6·0*	*+ 6·0*	*− 5·8*	*+ 3·0*	*+ 0·9*	*+15·0*	*+5*	*+ 9*	*+ 5*	*+11*
3	*+ 5·8*	*+ 8·7*	*− 3·5*	*+ 4·3*	*− 0·8*	*+15·0*	*+6*	*+11*	*+ 9*	*+10*
4	*+13·8*	*+16·8*	*+ 8·5*	*+ 7·6*	*− 2·5*	*+23·4*	*+5*	*+15*	*+11*	*+ 8*
1978 *1*	*+11·8*	*+11·3*	*+ 8·8*	*+ 4·8*	*− 0·8*	*+24·8*	*+6*	*+15*	*+11*	*+14*
2	*+ 2·0*	*+ 2·0*	*+ 6·9*	*—*	*− 0·1*	*+16·3*		*+25*	*+15*	*+13*
3	*+ 3·7*	*+ 1·4*	*+ 7·9*	*+ 0·1*	*+ 0·6*	*+21·4*		*+29*	*+18*	*+14*
4			*+ 4·7*	*− 0·5*	*+ 1·6*	*+20·4*			*+17*	*+19*

	Wholesale price index[3]					Unit labour costs index[3]				
	United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom	United States	Japan	France	Federal Republic of Germany
1973	73·8	75·5	83·8	74·4	78·1	..	..	..	69	..
1974	86·5	90·1	100·2	79·9	90·7	80	89	83	74	89
1975	100·0	100·0	100·0	100·0	100·0	100	100	100	100	100
1976	95·3	104·6	104·9	96·4	101·5	92	102	99	95	96
1977	110·8	111·1	117·8	100·6	112·9	98	109	114	101	108
1978									118	
1976 *1*	99·6	102·7	100·4	98·9	97·4	99	101	99	97	93
2	93·4	104·0	103·3	97·2	99·6	91	101	97	95	94
3	95·0	105·4	108·1	94·5	101·7	91	102	100	94	96
4	93·3	106·5	107·7	95·0	107·1	87	104	101	94	102
1977 *1*	102·9	108·4	110·6	96·0	108·8	93	107	106	95	103
2	108·3	111·0	114·8	98·9	111·2	96	108	110	98	106
3	112·6	111·9	118·5	102·0	113·7	98	109	116	103	109
4	119·4	113·3	127·1	105·3	118·0	107	111	125	106	115
1978 *1*	129·8	115·5	131·5	108·7	126·9	118	116	129	109	122
2	125·7	118·3	141·5	115·5	127·5	115	116	136	113	127
3	135·0	120·5	159·9	124·9	132·3	123	116	155	120	128
4									128	
				Percentage change, quarter on corresponding quarter of previous year.						
1977 *1*	*+ 3·3*	*+ 5·6*	*+10·2*	*− 2·9*	*+11·7*	*− 6*	*+6*	*+ 7*	*− 2*	*+11*
2	*+16·0*	*+ 6·7*	*+11·1*	*+ 1·7*	*+11·6*	*+ 5*	*+7*	*+13*	*+ 3*	*+13*
3	*+18·5*	*+ 6·2*	*+ 9·6*	*+ 7·9*	*+11·8*	*+ 8*	*+7*	*+16*	*+10*	*+14*
4	*+28·0*	*+ 6·4*	*+18·0*	*+10·8*	*+10·2*	*+23*	*+7*	*+24*	*+13*	*+13*
1978 *1*	*+26·1*	*+ 6·5*	*+18·9*	*+13·2*	*+16·6*	*+27*	*+8*	*+22*	*+15*	*+18*
2	*+16·1*	*+ 6·6*	*+23·3*	*+16·8*	*+14·7*	*+20*	*+7*	*+24*	*+15*	*+20*
3	*+19·9*	*+ 7·7*	*+34·9*	*+22·5*	*+16·4*	*+26*	*+6*	*+34*	*+17*	*+17*
4									*+21*	

[1] The summary measures of competitiveness were described in *Economic Trends* No. 304, February 1979.
[2] Downward movements indicate greater competitiveness.
[3] All the indices are in terms of US dollars.
[4] Provisional.


Sterling effective exchange rate
December 1971 = 100
Import price competitiveness
1975 = 100
1975 = 100
Relative wholesale prices
Relative normal unit labour costs
1975 = 100
Relative profitability of exports
Upward trend shows more profitability
Relative export prices
Downward trend shows more competitiveness
1973
1974
1975
1976
1977
1978
1979

Balance of payments: current account

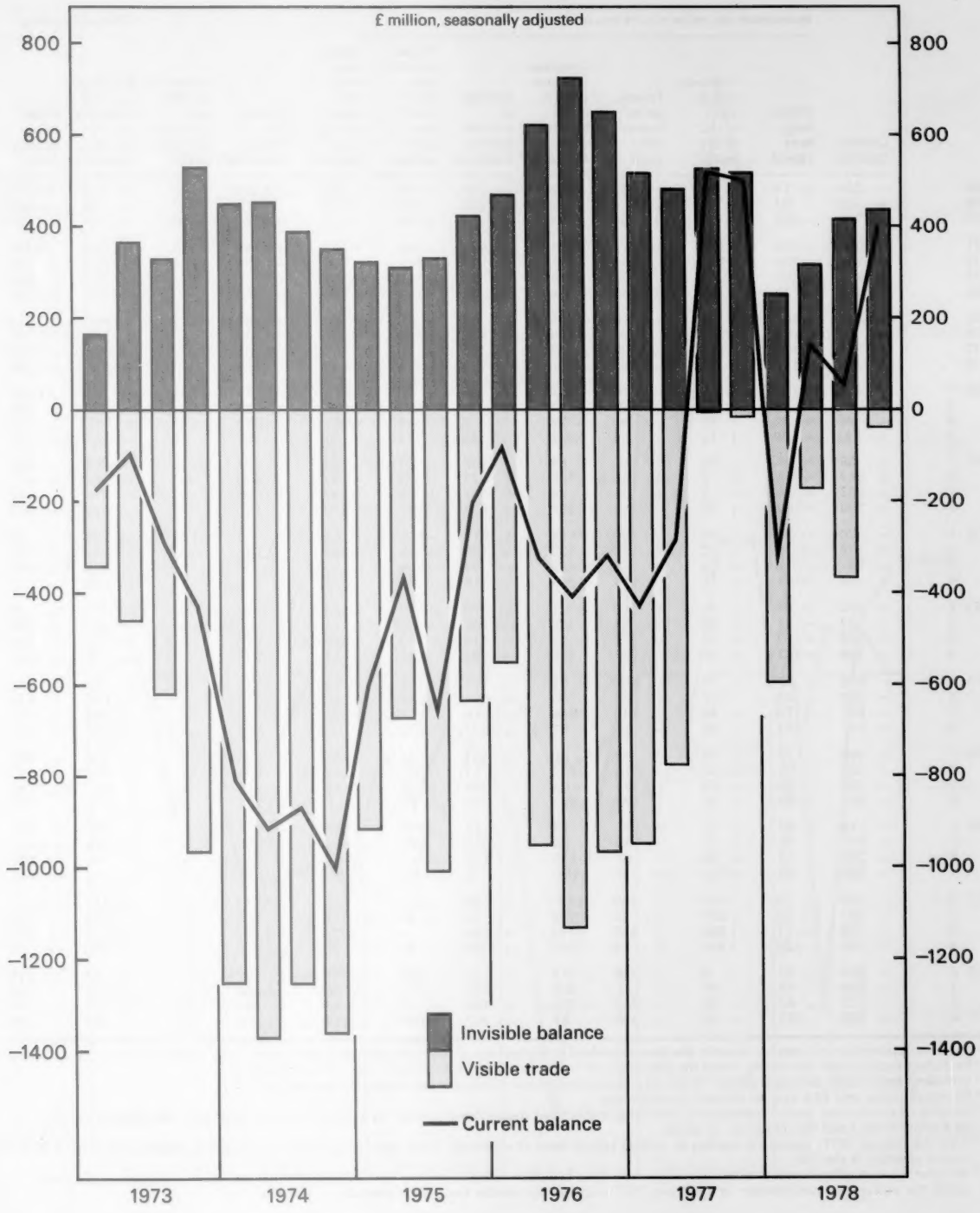
Seasonally adjusted

£ million

	Visible trade[1]			Invisibles			
	Exports (f.o.b.) §	Imports (f.o.b.) §	Total	Credits	Debits	Balance	Current balance
1968	6,433	7,115	− 682	3,813	3,417	+ 396	− 286
1969	7,269	7,441	− 172	4,339	3,704	+ 635	+ 463
1970	8,121	8,163	− 42	5,030	4,257	+ 773	+ 731
1971	9,060	8,799	+ 261	5,573	4,744	+ 829	+1,090
1972	9,450	10,172	− 722	6,135	5,278	+ 857	+ 135
1973	12,115	14,498	−2,383	8,240	6,856	+1,384	− 999
1974	16,538	21,773	−5,235	10,046	8,402	+1,644	−3,591
1975	19,463	22,699	−3,236	11,024	9,631	+1,393	−1,843
1976	25,411	29,012	−3,601	14,377	11,913	+2,464	−1,137
1977	32,148	33,892	−1,744	16,255	14,213	+2,042	+ 298
1978	35 432	36,607	−1,175	17,720	16 291	+1,429	+ 254
1972 *1*	2,258	2,361	− 103	1,476	1,254	+ 222	+ 119
2	2,343	2,470	− 127	1,517	1,270	+ 247	+ 120
3	2,115	2,418	− 303	1,555	1,351	+ 204	− 99
4	2,734	2,923	− 189	1,587	1,403	+ 184	− 5
1973 *1*	2,753	3,094	− 341	1,749	1,586	+ 163	− 178
2	2,901	3,361	− 460	2,047	1,684	+ 363	− 97
3	3,147	3,767	− 620	2,057	1,728	+ 329	− 291
4	3,314	4,276	− 962	2,387	1,858	+ 529	− 433
1974 *1*	3,618	4,868	−1,250	2,483	2,032	+ 451	− 799
2	4,152	5,524	−1,372	2,496	2,042	+ 454	− 918
3	4,393	5,644	−1,251	2,479	2,092	+ 387	− 864
4	4,375	5,737	−1,362	2,588	2,236	+ 352	−1,010
1975 *1*	4,674	5,591	− 917	2,628	2,303	+ 325	− 592
2	4,601	5,275	− 674	2,693	2,380	+ 313	− 361
3	4,845	5,854	−1,009	2,748	2,415	+ 333	− 676
4	5,343	5,979	− 636	2,955	2,533	+ 422	− 214
1976 *1*	5,654	6,204	− 550	3,221	2,754	+ 467	− 83
2	6,160	7,109	− 949	3,469	2,848	+ 621	− 328
3	6,509	7,645	−1,136	3,756	3,031	+ 725	− 411
4	7,088	8,054	− 966	3,931	3,280	+ 651	− 315
1977 *1*	7,520	8,466	− 946	3,985	3,467	+ 518	− 428
2	7,921	8 700	− 779	3,999	3,517	+ 482	− 297
3	8,531	8,534	− 3	4,113	3,588	+ 525	+ 522
4	8,176	8.192	− 16	4,158	3,641	+ 517	+ 501
1978 *1*	8,408	9,004	− 596	4,211	3,956	+ 255	− 341
2	8,753	8,926	− 173	4,307	3,988	+ 319	+ 146
3	9,051	9,418	− 367	4,562	4,144	+ 418	+ 51
4	9,220	9,259	− 39	4.640	4,203	+ 437	+ 398
1977 *O*	2,739	2,749	− 10	..	..	+ 517	..
N	2,652	2,538	+ 114	..	..		..
D	2,785	2,905	− 120	..	..		..
1978 *J*	2,603	2,928	− 325	..	..	+ 255	..
F	2,992	2,969	+ 23	..	..		..
M	2,813	3,107	− 294	..	..		..
A	2,960	2,835	+ 125	..	..	+ 319	..
M	2,873	3.055	− 182	..	..		..
J	2,920	3,036	− 116	..	..		..
J	3,011	3.158	− 217	..	..	+ 418	..
A	3,008	3,010	− 2	..	..		..
S	3,032	3,250	− 218	..	..		..
O	3.073	3,037	+ 36	..	..	+ 437	..
N	3,020	3,136	− 116	..	..		..
D	3,127	3,086	+ 41	..	..		..
1979 *J*	2.814	2,933	− 119	..	..	+130 [2]	+ 11
F				..	..		..
M				..	..		..

[1] The quarterly and annual figures are consistent with the latest quarterly balance of payments article. The monthly figures, which may incorporate subsequent revisions are as published by the Department of Trade.

[2] These figures are projections and are subject to revision as the relevant statistical information becomes available.


£ million, seasonally adjusted
800
600
400
200
0
−200
−400
−600
−800
−1000
−1200
−1400
Invisible balance
Visible trade
Current balance
1973
1974
1975
1976
1977
1978

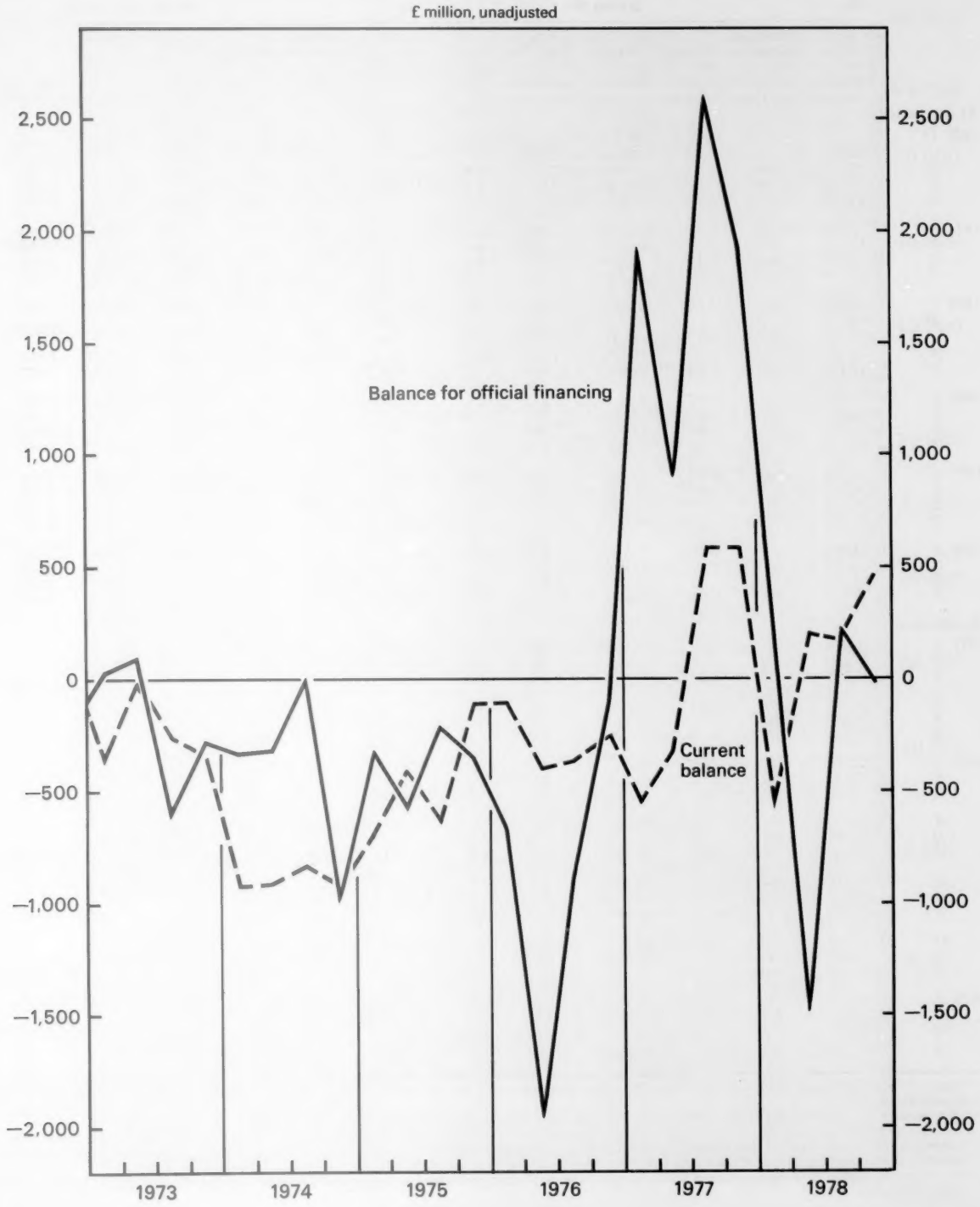
Analysis of capital transactions and official financing [1]

£ million

Not seasonally adjusted

	Investment and other capital transactions									Official financing	
	Current balance	Official long-term capital	Overseas investment in UK public sector [2]	Private sector investment (net)	Overseas currency borrowing or lending (net) by UK banks [2]	Change in external sterling liabilities	Trade credit [3] and other short-term transactions	Balancing item and other capital transactions [4]	Balance for official financing [5]	Allocation of SDR and gold subscription to IMF	Drawings on (+)/additions to (−) official reserves [6]	Other transactions (net) [7]
1968	− 286	+ 16	+ 16	− 160	− 15	− 308	−305	−368	−1,410	—	+ 114	+1,296
1969	+ 463	− 99	− 56	− 6	− 38	+ 261	−227	+389	+ 687	—	− 44	− 643
1970	+ 731	−205	− 10	+ 56	+472	+ 459	−195	− 21	+1,287	+133	− 125	−1,295
1971	+1,090	−274	+107	+ 211	+471	+1,422	−128	+247	+3,146	+125	−1,536	−1,735
1972	+ 135	−255	+120	− 588	+471	+ 196	−613	−731	−1,265	+124	+ 692	+ 449
1973	− 999	−254	+175	− 90	+525	+ 154	−345	+ 63	− 771	—	− 228	+ 999
1974	−3,591	−276	+252	+1,169	−294	+1,558	−712	+248	−1,646	—	− 105	+1,751
1975	−1,843	−288	+ 43	+ 416	+235	− 67	− 61	+100	−1,465	—	+ 655	+ 810
1976	−1,137	−158	+203	− 93	−106	−1,152	−1,588	+402	−3,629	—	+ 853	+2,776
1977	+ 298	−291	+2,182	+ 929	+384	+1,452	− 54	+2,461	+7,361	—	−9,588	+2,227
1978	+ 254	−348	− 81	− 453	+599	− 185	−931	+847	−1,126	—	+2,329	−1,203
1970 *1*	+ 235	− 48	+ 3	+ 37	+125	+ 283	+ 66	+214	+ 915	+171	− 76	−1,010
2	+ 166	− 38	− 3	+ 123	+123	+ 158	−136	−166	+ 227	—	− 34	− 193
3	+ 88	− 20	− 23	− 83	− 24	+ 3	− 14	−129	− 202	—	+ 52	+ 150
4	+ 242	− 99	+ 13	− 21	+248	+ 15	−111	+ 60	+ 347	− 38	− 67	− 242
1971 *1*	+ 66	− 46	+ 70	+ 115	+ 84	+ 285	+ 70	+278	+ 922	+125	− 204	− 843
2	+ 347	− 44	+ 7	+ 55	+148	+ 277	− 98	− 89	+ 603	—	− 126	− 477
3	+ 382	− 34	+ 5	+ 54	+ 28	+ 337	+ 88	−192	+ 668	—	− 576	− 92
4	+ 295	−150	+ 25	− 13	+211	+ 523	−188	+250	+ 953	—	− 630	− 323
1972 *1*	− 20	− 42	+ 65	− 190	+114	+ 211	−165	+ 84	+ 57	+124	− 191	+ 10
2	+ 238	− 39	+ 22	− 175	−132	− 138	−375	−446	−1,045	—	+ 46	+ 999
3	− 137	− 17	+ 24	− 68	+199	− 92	− 48	+ 60	− 79	—	+ 639	− 560
4	+ 54	−157	+ 9	− 155	+290	+ 215	− 25	−429	− 198	—	+ 198	—
1973 *1*	− 370	− 55	+ 44	+ 10	+ 1	+ 170	− 57	+284	+ 27	—	− 72	+ 45
2	− 27	− 31	+ 20	+ 54	+152	+ 166	+ 39	−274	+ 99	—	− 380	+ 281
3	− 256	− 27	+ 21	− 27	+ 36	− 415	−190	+240	− 618	—	+ 254	+ 364
4	− 346	−141	+ 90	− 127	+336	+ 233	−137	−187	− 279	—	− 30	+ 309
1974 *1*	− 925	− 52	+ 32	+ 574	− 61	+ 179	−144	+ 58	− 339	—	+ 33	+ 306
2	− 910	− 42	+107	+ 307	+ 56	+ 386	−105	−118	− 319	—	− 116	+ 435
3	− 839	− 15	+ 30	+ 367	−346	+ 616	−121	+308	—	—	− 189	+ 189
4	− 917	−167	+ 83	− 79	+ 57	+ 377	−342	—	− 988	—	+ 167	+ 821
1975 *1*	− 698	− 73	+ 66	− 16	− 80	+ 247	− 33	+261	− 326	—	− 142	+ 468
2	− 408	− 39	—	− 315	+772	− 17	−262	−303	− 572	—	+ 410	+ 162
3	− 635	− 26	− 52	+ 571	− 15	− 379	+180	+143	− 213	—	+ 170	+ 43
4	− 102	−150	+ 29	+ 176	−442	+ 82	+ 54	− 1	− 354	—	+ 217	+ 137
1976 *1*	− 110	− 37	+ 9	+ 171	+ 94	− 75	−678	− 52	− 678	—	− 178	+ 856
2	− 407	− 26	+ 13	− 155	− 86	− 932	−591	+228	−1,956	—	+ 354	+1,602
3	− 362	− 10	+ 58	− 57	−272	− 137	−227	+145	− 862	—	+ 61	+ 801
4	− 258	− 85	+123	− 52	+158	− 8	− 92	+ 81	− 133	—	+ 616	− 483
1977 *1*	− 563	− 25	+498	+ 448	+421	+ 389	+ 82	+663	+1,913	—	−3,197	+1,284
2	− 327	− 20	+921	+ 20	−706	− 48	− 46	+1,114	+ 908	—	−1,158	+ 250
3	+ 592	− 17	+289	+ 382	+189	+ 397	—	+776	+2,608	—	−3,227	+ 619
4	+ 596	−229	+474	+ 79	+480	+ 714	− 90	− 92	+1,932	—	−2,006	+ 74
1978 *1*	− 583	− 57	− 3	+ 338	+115	+ 101	−402	+664	+ 173	—	+ 46	− 219
2	+ 204	− 14	− 15	− 71	−955	− 387	−362	+106	−1,494	—	+2,026	− 532
3	+ 173	− 42	− 13	− 342	+328	+ 164	− 21	− 37	+ 210	—	− 54	− 156
4	+ 460	−235	− 50	− 378	− 87	+ 307	−146	+114	− 15	—	+ 311	− 296

[1] More comprehensive analyses are given in the appendix tables to the balance of payments articles in the March, June, September and December issues.
[2] Excluding public sector borrowing under the exchange cover scheme which is included under official financing.
[3] Excluding trade credit between 'related' firms; after deducting advance and progress payments to suppliers.
[4] Capital transfers and EEA loss on forward commitments.
[5] Balance of current and capital transactions, including unidentified transactions covered by official financing other than that relating to IMF gold subscriptions and the allocation of SDRs.
[6] From 23 August 1971, valued in sterling at market-related rates of exchange. From July 1972, includes transactions affecting the United Kingdom reserve position in the IMF.
[7] Includes net transactions with overseas monetary authorities and other foreign currency borrowing by HM Government and by the public sector under the exchange cover scheme; in 1966 and 1967 includes the transfer from dollar portfolio to reserves.


£ million, unadjusted
2,500
2,000
1,500
1,000
500
0
−500
−1,000
−1,500
−2,000
Balance for official financing
Current balance
1973
1974
1975
1976
1977
1978

Money stock

£ million: amounts outstanding

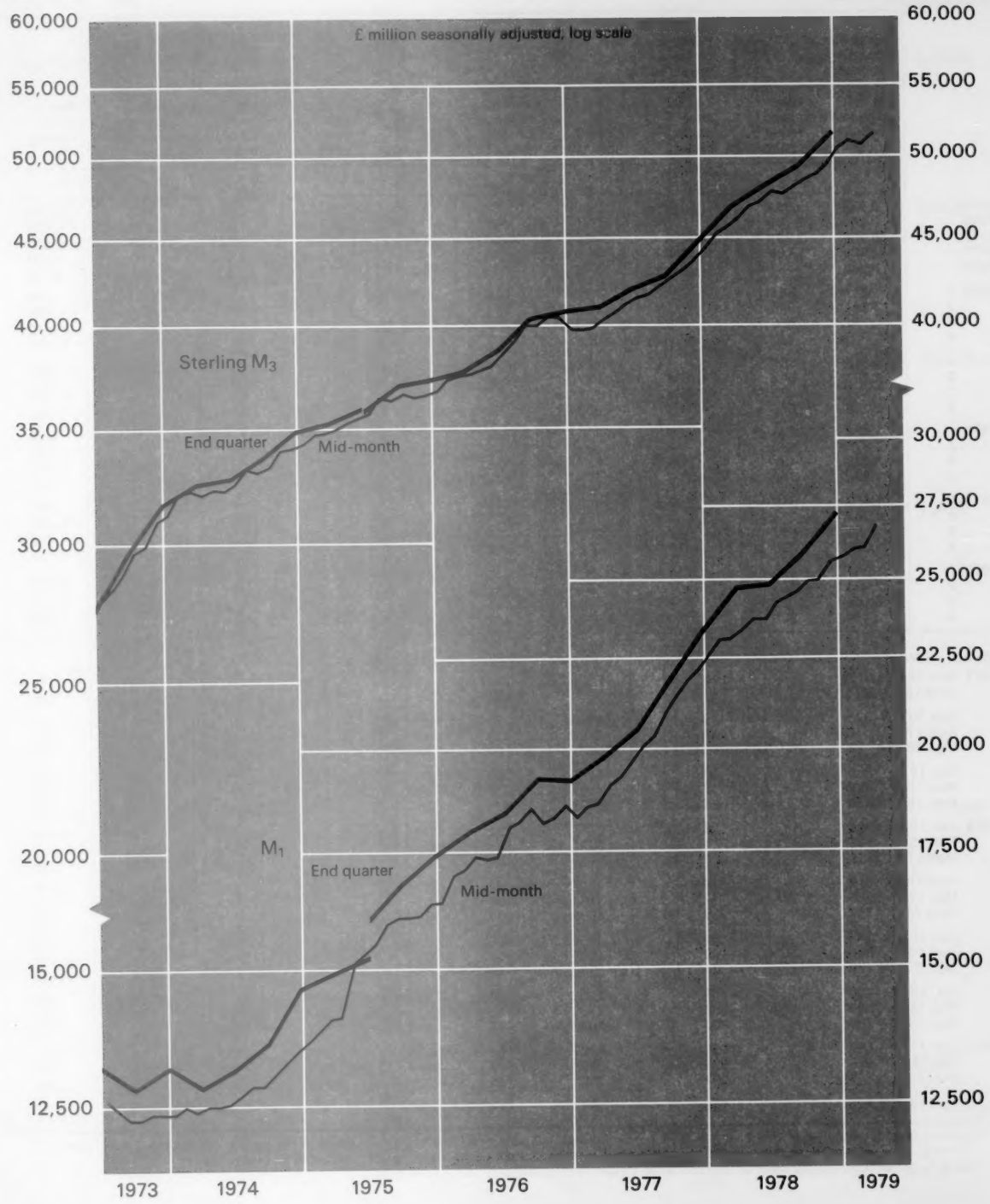
	M_1			Sterling M_3			M_3			Velocity of circulation[1]		
	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted §	Changes (seasonally adjusted)	*Percentage change*	M_1	Sterling M_3	M_3
At end period												
1973 *1*[2]	12,330	+ 11	*+0·1*	26,330	1,447	*+5·8*	27,330	1,644	*+6·4*	5·860	2·823	2·724
	12,330			26,240			27,340					
2	13,120	789	*+6·4*	27,650	1,416	*+5·4*	28,720	1,389	*+5·1*	5·673	2·677	2·576
3	12,750	−360	*−2·7*	29,730	2,095	*+7·6*	31,050	2,343	*+8·2*	5·773	2·603	2·499
4	13,120	373	*+2·9*	31,610	1,904	*+6·4*	33,040	2,016	*+6·5*	5·925	2·499	2·392
1974 *1*	12,750	−361	*−2·8*	32,450	870	*+2·8*	34,220	1,211	*+3·7*	5·859	2·366	2·254
2	13,100	346	*+2·7*	32,680	240	*+0·7*	34,860	647	*+1·9*	6·293	2·498	2·355
3	13,530	432	*+3·3*	33,520	843	*+2·6*	36,020	1,163	*+3·3*	6·574	2·644	2·470
4	14,550	1,020	*+7·5*	34,840	1,302	*+3·9*	37,230	1,200	*+3·3*	6·398	2·628	2·453
1975 *1*	14,830	268	*+1·8*	35,210	337	*+1·0*	37,730	458	*+1·2*	6·453	2·707	2·529
2[3]	15,170	326	*+2·2*	35,730	506	*+1·4*	38,080	338	*+0·9*	6·733	2·883	2·697
	15,900			35,710			38,070					
3	16,730	830	*+5·2*	36,900	1,187	*+3·3*	39,700	1,625	*+4·3*	6·596	2·930	2·736
4[4]	17,340	593	*+3·5*	37,200	296	*+0·8*	40,170	476	*+1·2*	6·593	3·031	2·812
1976 *1*	17,920	555	*+3·2*	37,670	445	*+1·2*	40,820	619	*+1·5*	6·642	3·128	2·892
2	18,310	386	*+2·2*	38,650	971	*+2·6*	42,220	1,386	*+3·4*	6·660	3·161	2·906
3	19,190	879	*+4·8*	40,300	1,658	*+4·3*	44,330	2,126	*+5·0*	6·729	3·196	2·915
4	19,150	− 32	*−0·2*	40,570	294	*+0·7*	44,540	229	*+0·5*	6·849	3·247	2·955
1977 *1*	19,750	596	*+3·1*	40,800	256	*+0·6*	45,080	566	*+1·3*	6·797	3·250	2·950
2	20,470	726	*+3·7*	41,900	1,097	*+2·7*	46,570	1,485	*+3·3*	6·871	3·342	3·015
3	21,820	1,345	*+6·6*	42,710	807	*+1·9*	47,130	555	*+1·2*	6·902	3·450	3·115
4[5]	23,330	1,510	*+6·9*	44,660	1,956	*+4·6*	48,940	1,814	*+3·8*	6·612	3·417	3·108
1978 *1*	24,250	927	*+4·0*	46,690†	2,036	*+4·6*	51,220	2,290	*+4·7*	6·442	3·355	3·060
2	24,620	386	*+1·5*	48,000	1,314	*+2·8*	53,230	2,015	*+3·9*	6·495	3·352†	3·039
3	25,800†	1,172	*+4·8*	49,230	1,174	*+2·6*†	54,160†	876	*+1·7*†	6·536†	3·390	3·069†
4	27,190	1,405	*+5·4*	51,350	2,206	*+4·3*	56,320	2,241	*+4·0*	6·339	2·340	3·041
At mid-month												
1977 *J*	20,060	421†	*+2·1*†	41,490†	390†	*+0·9*	45,650†	321†	*+0·7*†	..	..	..
A	20,240	203	*+1·0*	41,610	137	*+0·3*†	45,770	142	*+0·3*	..	..	..
S	20,890	658	*+3·3*	42,190	606	*+1·5*	46,410	658	*+1·4*	..	..	..
O	21,360	489	*+2·3*	42,570	400	*+0·9*	46,550	162	*+0·3*	..	..	..
N	21,800	445	*+2·1*	42,880	322	*+0·8*	46,600	68	*+0·1*	..	..	..
D	22,120	332	*+1·5*	43,440	575	*+1·3*	47,240	651	*+1·4*	..	..	..
1978 *J*[5]	22,590	497	*+2·2*	44,210	818	*+1·9*	47,900	675	*+1·4*	..	..	..
F	22,940	351	*+1·6*	45,030	824	*+1·9*	48,800	908	*+1·9*	..	..	..
M	23,100	171	*+0·7*	45,320	296	*+0·7*	49,410	612	*+1·3*	..	..	..
A	23,340	237	*+1·0*	45,980	670	*+1·5*	50,630	1,234	*+2·5*	..	..	..
M	23,690	364	*+1·6*	46,530	566	*+1·2*	51,550	924	*+1·8*	..	..	..
J	23,660	− 28	*−0·1*	46,930	402	*+0·9*	52,020	474	*+0·9*	..	..	..
J	24,210	549	*+2·3*	47,600	670	*+1·4*	52,520	495	*+1·0*	..	..	..
A	24,370	150	*+0·6*	47,390	−225	*−0·5*	51,890	−640	*−1·2*	..	..	..
S	24,620	249	*+1·0*	47,880	477	*+1·0*	52,410	509	*+1·0*	..	..	..
O	24,860	235	*+1·0*	48,270	365	*+0·8*	52,910	480	*+0·9*	..	..	..
N	24,910	44	*+0·2*	48,620	343	*+0·7*	53,570	652	*+1·2*	..	..	..
D	25,500	585	*+2·3*	49,370	743	*+1·5*	54,240	664	*+1·2*	..	..	..
1979 *J*	25,720	203	*+0·8*	50,410	1,002	*+2·0*	55 120	839	*+1·5*	..	..	..
F	25,940	222	*+0·9*	50,950	530	*+1·1*	55,830	700	*+1·3*	..	..	..
M	25,950	6	—	50,570	−387	*−0·8*	55,180	−660	*−1·2*	..	..	..
A	26,740	788	*+3·0*	51,310	+741	*+1·5*	55,890	711	*+1·3*	..	..	..

[1] Ratio of GNP at current market prices seasonally adjusted expressed at an annual rate to the centred quarterly average of M_1/sterling M_3/M_3 seasonally adjusted.

[2] The break in the series at end-March 1973 shows the effect of a change in contributors.

[3] At mid-May 1975 new statistical returns were introduced. The first line of figures for end-June 1975, includes a number of estimates to provide reasonable consistency with earlier dates. [4] The amounts outstanding at end-December 1975 are shown after the exclusion of one contributor to the series, but the effect on the figures is very small. The changes have been adjusted to exclude the effect of the reduction in the number of contributors.

[5] From end-December 1977 the coverage of UK holders of dollar certificates of deposit has been somewhat expanded: the effect of this has been excluded from the change in M_3.


£ million seasonally adjusted, log scale
60,000
55,000
50,000
45,000
40,000
35,000
30,000
25,000
20,000
15,000
12,500
Sterling M3
End quarter
Mid-month
M1
End quarter
Mid-month
30,000
27,500
25,000
22,500
20,000
17,500
15,000
12,500
1973
1974
1975
1976
1977
1978
1979

Domestic credit expansion and money stock

Seasonally adjusted[1]

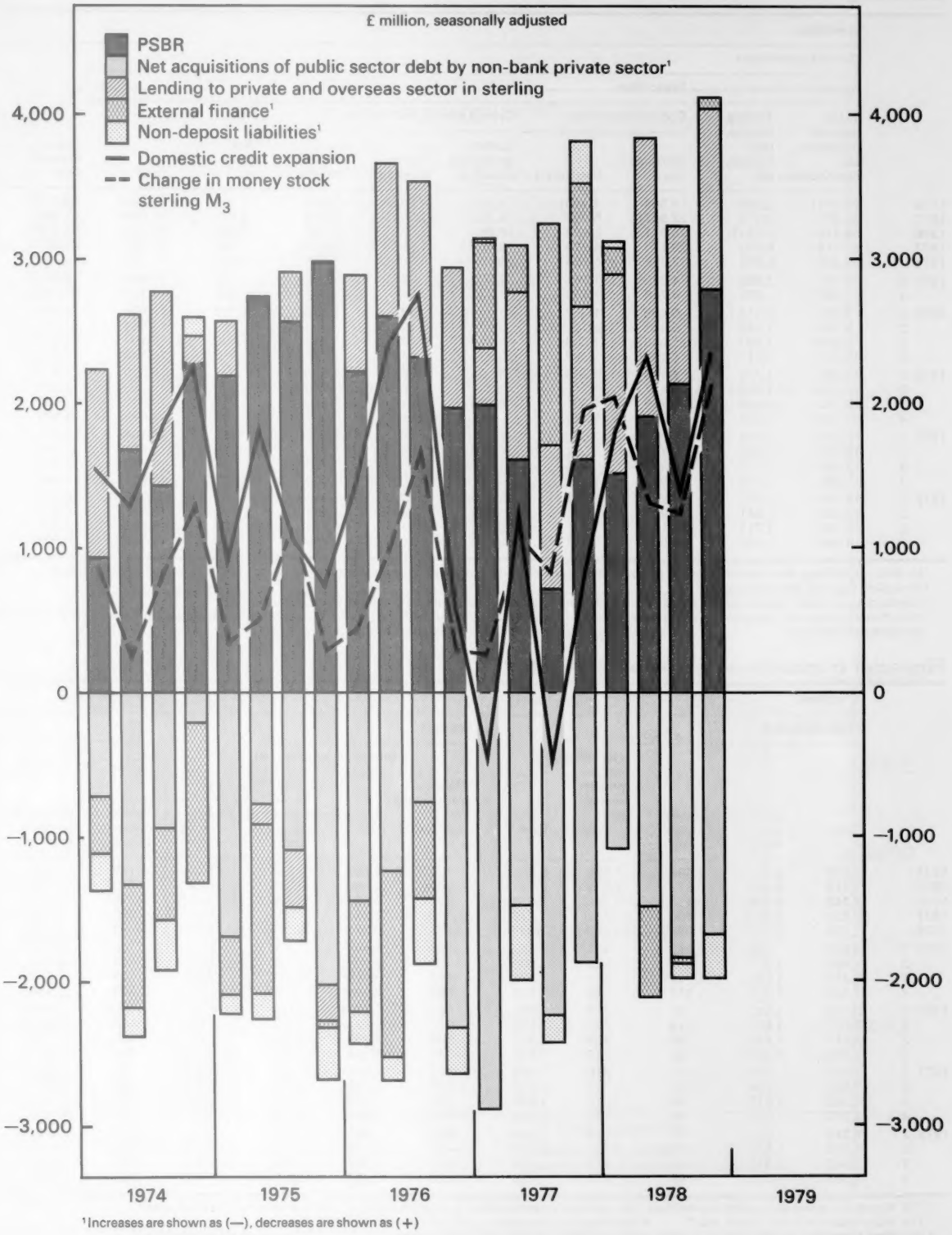
£ million

	Public sector borrowing requirement		Net acquisition of public sector debt by the non-bank private sector							
	Central government borrowing requirement	Other public sector contribution	Other public sector	Central government	Sterling lending to the private sector[2]	Bank lending in sterling to overseas	Domestic credit expansion	External and foreign currency finance	Non-deposit liabilities (net)	Money stock sterling M_3
	1	2	3	4	5	6	7	8	9	10
1974	3,523	2,864†	2,319†	858†	3,435	289	6,934	2,997	682	3,255
1975	8,345	2,141	205	5,345	− 373	− 35	4,528†	1,300†	899	2,326
1976	6,786	2,321	296	5,460†	3,466	647	7,464	2,721	1,179	3,565
1977	4,469	1,485	550	7,910	3,188	406	1,084	−3,443	400	4,132
1978	8,379	−1	−321	6,453	4,619	1,021	7,917	427	751	6,735
1974 *1*	387†	561†	575	130†	1,185	105	1,533†	397	265	870
2	784	905	689†	642	885	45	1,288	848	202	240
3	797	650	460	480	1,302	21	1,830	634	353	843
4	1,535	748	595	− 394	63	118	2,283	1,119	− 138	1,302
1975 *1*	1,348	841	9	1,677	499	−124	878	409	132	337
2	2,107	642	189	557	− 294	148	1,857	1,176	175	506
3	2,492	72	− 143	1,232	− 422	22	1,075	− 338	227	1,187
4	2,398	586	150	1,879	− 156	− 81	718	52	365	296
1976 *1*	1,778	438	− 26	1,475	322	344	1,433	759	231	445
2	1,923	680	116	1,121	801	260	2,427	1,282	175	971
3	1,855	461	93	653	1,022	200	2,787	678	449	1,658
4	1,230	742	113	2,206	1,124	−157	620	3	324	294
1977 *1*	1,450	545	467	2,420	474	− 85	− 503	− 737†	− 23	256
2	1,383	234	195	1,275	970	182	1,299	− 322	528	1,097
3	55	667	− 42	2,283	831	158	− 530	−1,527	189	807
4	1,581	39	− 70†	1,936	897	151	802	− 861	− 294	1,956
1978 *1*	1,357	181	− 144	1,232	740†	621	1,811	− 167	− 58	2,036
2	2,364	−460	− 461	1,954	1,637	300	2,348	618	413	1,317†
3	2,169†	−27	348	1,490	1,050	33	1,387	41	102	1,244
4	2,489	305	− 60	1,742	1,187	67	2,366	− 65	297†	2,133
Month ended										
1977 May 18	1,017†		−124†	853†	379†	− 6	413†	− 167†	170†	410†
June 15	686		50	310	422	109	957	165	264	528
July 20	−393		443	681	74	55	− 502	− 933	41	390
Aug. 17	6		226	920	439	107	− 142	− 392	113	137
Sept. 21	− 79		444	693	166	− 28	− 190	− 808	12	606
Oct. 19	350		− 27	884	520	129	88	− 283	− 29	400
Nov. 16	429		17	498	306	41	295	− 170	143	322
Dec. 14	430		25	537	305	121	344	− 157	− 74	575
1978 Jan. 18	796		−126	678	122	111	225	− 351	−242	818
Feb. 15	196		− 24	187	453	305	743	− 184	103	824
March 15	332		135	575	483	207	582	48	238	296
April 19	613		274	270	294	135	1,046	511	−135	670
May 17	1,088		−177	510	797	39	1,237	546	125	566
June 21	767		303	1,193	500	140	517	74	41	402
July 19	243		30	559	429	− 21	122	− 463	− 85	670
Aug. 16	390		−469	450	311	28	− 190	− 63	98	− 225
Sept. 20	1,420		− 24	734	16	− 19	659	− 95	277	477
Oct. 18	400		− 59	228	396	− 13	496	177	− 46	365
Nov. 15	926		−196	779	453	−117	287	− 163	107	343
Dec. 13	789		400	709	475	137†	1,092	289	60	743
1979 Jan. 17	583		156	494	494	62	801	− 187	− 14	1,002
Feb. 21	719		329	920	1,099	−138	1,089	305	254	530
Mar. 21	− 7		297	1,318	761	− 2	−269	108	10	−387
April 18	1,494		146	1,377	519	32	814	46	27	741

Relationship between columns 7 = 1 + 2 − 3 − 4 + 5 + 6; 10 = 7 − 8 − 9 (The figures combined in the bracket are column 2 *less* column 3).

[1] The seasonally adjusted figures do not always add to the calendar year total which is the sum of unadjusted quarterly figures.

[2] Banking sector lending *plus* Bank of England Issue Department holdings of commercial bills.



[1] Increases are shown as (—), decreases are shown as (+)

General government receipts and expenditure[1]

£ million

	General government									
	Receipts[2]		Expenditure							
			Goods and services		Current and capital transfers					
	Taxes, national insurance, etc. contributions	Trading income, rent, interest, etc.	Consumption	Investment	Current grants and subsidies	Capital transfers	Debt interest	Net lending, etc.[3]	Total	Public expenditure[4]
1974	29,871†	3,705	16,564	4,450†	11,191	1,092	3,608	2,239†	39,144†	36,112†
1975	38,371	4,473	22,962†	5,064	14,359†	1,193†	4,210	3,756	51,544	47,634
1976	44,574	5,344†	26,671	5,492	16,967	1,422	5,456	2,365	58,373	53,923
1977	51,119	6,029	29,173	4,979	19,469	1,552	6,442†	250	61,865	56,667
1978	56,820	6,543	32,618	4,656	23,106	1,951	7,279	1,646	71,256	65,055
1974 *3*	7,591	1,005	4,280	1,161	2,909	273	1,046	923	10,592	9,671
4	7,967	971	4,748	1,136	3,235	282	909	554	10,864	10,142
1975 *1*	9,623	1,112	5,458	1,357	3,331†	376	1,138	1,210	12,870	11,849
2	8,739	1,043	5,441	1,130	3,575	201	798	790	11,935	11,072
3	9,839	1,207	5,866	1,208	3,614	297	1,242	880	13,107	12,028
4	10,170	1,111	6,197	1,369	3,839	319†	1,032	876	13,632	12,685
1976 *1*	11,362	1,372	6,409	1,693	4,106	386	1,537	939	15,070	13,804
2	10,535	1,239	6,611	1,210	4,241	308	1,013	500	13,883	12,926
3	10,933	1,429	6,729	1,301	4,209	323	1,639	741	14,942	13,700
4	11,744	1,304	6,922	1,288	4,411	405	1,267	185	14,478	13,493
1977 *1*	13,230	1,568	7,020	1,572	4,712	506	1,863	431	16,104	14,712
2	12,202	1,399	7,266	1,022	4,879	353	1,315†	−178	14,657	13,592
3	12,696	1,726	7,372	1,184	4,820	330	1,758	89	15,553	13,915
4	12,991	1,336	7,515	1,201	5,058	363	1,506	−92	15,551	14,448
1978 *1*	14,785	1,730	7,993	1,433	5,596	678	2,019	67	17,786	16,128
2	13,293	1,541	7,978	955	5,699	388	1,485	422	16,927	15,639
3	13,744	1,716	8,147	1,151	5,775	424	1,979	717	18,193	16,398
4	14,998	1,556	8,500	1,117	6,036	461	1,796	440	18,350	16,890

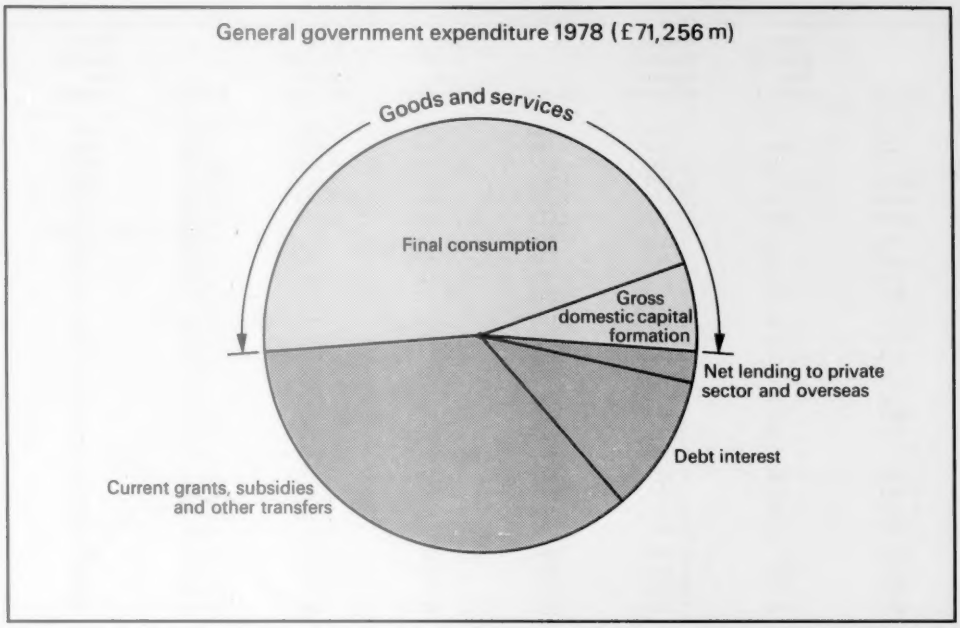
[1] An article describing the new presentation of government income and expenditure was published in the March 1977 issue of *Economic Trends*.
[2] Excluding financial transactions.
[3] Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc. (net).
[4] As defined in the public expenditure White Paper (Cmnd. 7439). A reconciliation with the total of general government expenditure is shown in Table 2·4 of *Financial Statistics*.

Financial transactions of the public sector

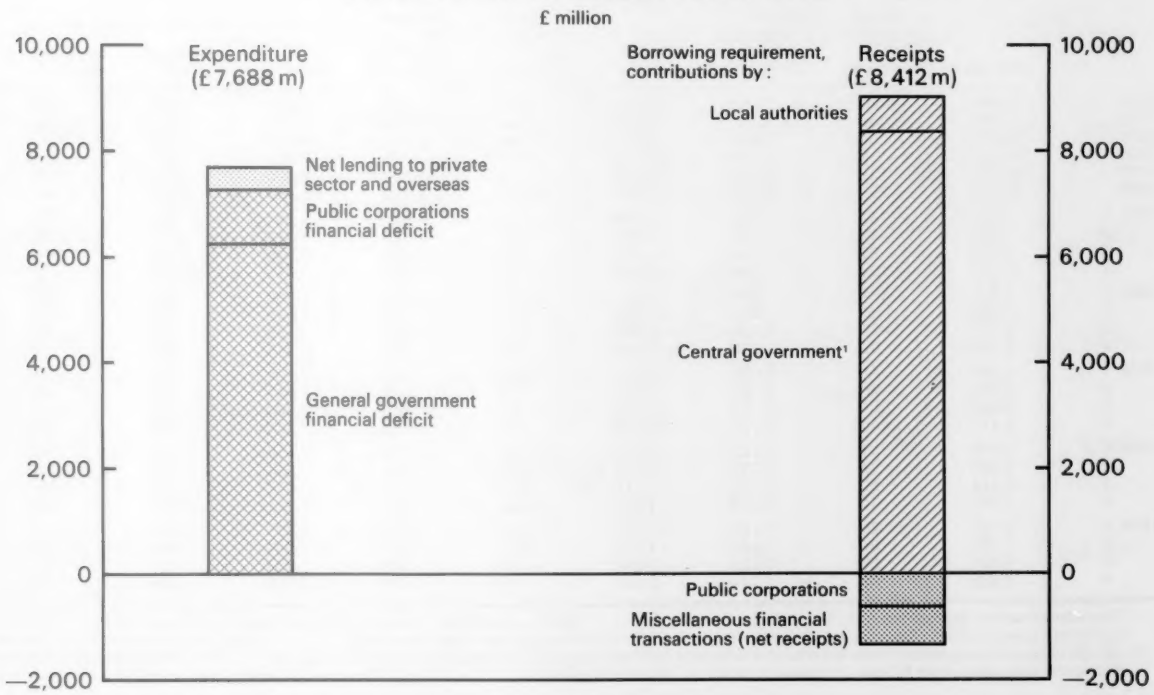
£ million

	Financial deficit[1]					Receipts					
							Borrowing requirement				
								Contributions by:			
	Total	General government[2]	Public corporations	Net lending etc., to private sector and overseas[3]	Total	Financial transactions (net receipts)	Total	Central government[4]	Local authorities	Public corporations	Seasonally adjusted total[5§]
1974	4,819	3,331	1,488	1,696	6,515	128	6,387	3,523	2,107	757	6,387
1975	7,916	4,944	2,972	1,831	9,747	−739	10,486	8,345	1,629	512	10,486
1976	8,248	6,090	2,158	1,286	9,534	427†	9,107†	6,786	1,103	1,218†	9,107†
1977	5,627	4,467	1,160	152	5,779	−175	5,954	4,469†	183	1,302	5,954
1978	7,254	6,247	1,007	434	7,688	−690	8,378	8,379	661†	−662	8,378
1975 *1*	1,838	925	913	424	2,262	757	1,505	956	523	26	2,189
2	1,960	1,363	597	330	2,290	−799	3,089	2,391	604	94	2,749
3	2,225	1,181	1,044	451	2,676	192	2,484	2,253	205	26	2,564
4	1,893	1,475	418	626	2,519	−889	3,408	2,745	297	366	2,984
1976 *1*	2,138	1,397	741	363	2,501	894†	1,607†	1,414	188	5†	2,216†
2	2,123	1,609	514	431	2,554	−370	2,924	2,204	274	446	2,603
3	2,619	1,839	780	288	2,907	645	2,262	1,655	279	328	2,316
4	1,368	1,245	123	204	1,572	−742	2,314	1,513	362	439	1,972
1977 *1*	1,087	875	212	315	1,402	402	1,000	572	463	−35	1,995
2	1,458	1,234	224	12	1,470	−576	2,046	1,803	−256	499	1,617
3	1,782	1,042	740	22	1,804	865	939	210†	269	460	722
4	1,300	1,316	− 16	−197	1,103	−866	1,969	1,884	−293	378	1,620
1978 *1*	1,339	1,204	135	−114	1,225	624	601	534	709	−642	1,538
2	1,965	1,671	295	155	2,121	−97	2,218	2,659	−135	−306	1,904
3	2,640	2,016	624	273	2,913	612	2,301	2,259	158	−116	2,142
4	1,309	1,356	− 47	120	1,429	−1,829	3,258	2,927	− 71†	402	2,794

[1] The excess of current and capital expenditure over receipts; corresponds to a negative figure of 'net acquisition of financial assets'.
[2] Top table, columns 3 to 7, *less* 1 and 2. [3] Including cash expenditure on company securities (net).
[4] Including borrowing matched by on-lending to local authorities and public corporations. [5] Calendar year constrained.


General government expenditure 1978 (£71,256 m)
Goods and services
Final consumption
Gross domestic capital formation
Net lending to private sector and overseas
Debt interest
Current grants, subsidies and other transfers

Financial transactions of the public sector 1978



[1]Including borrowing matched by on-lending to local authorities and public corporations

Sector financial accounts

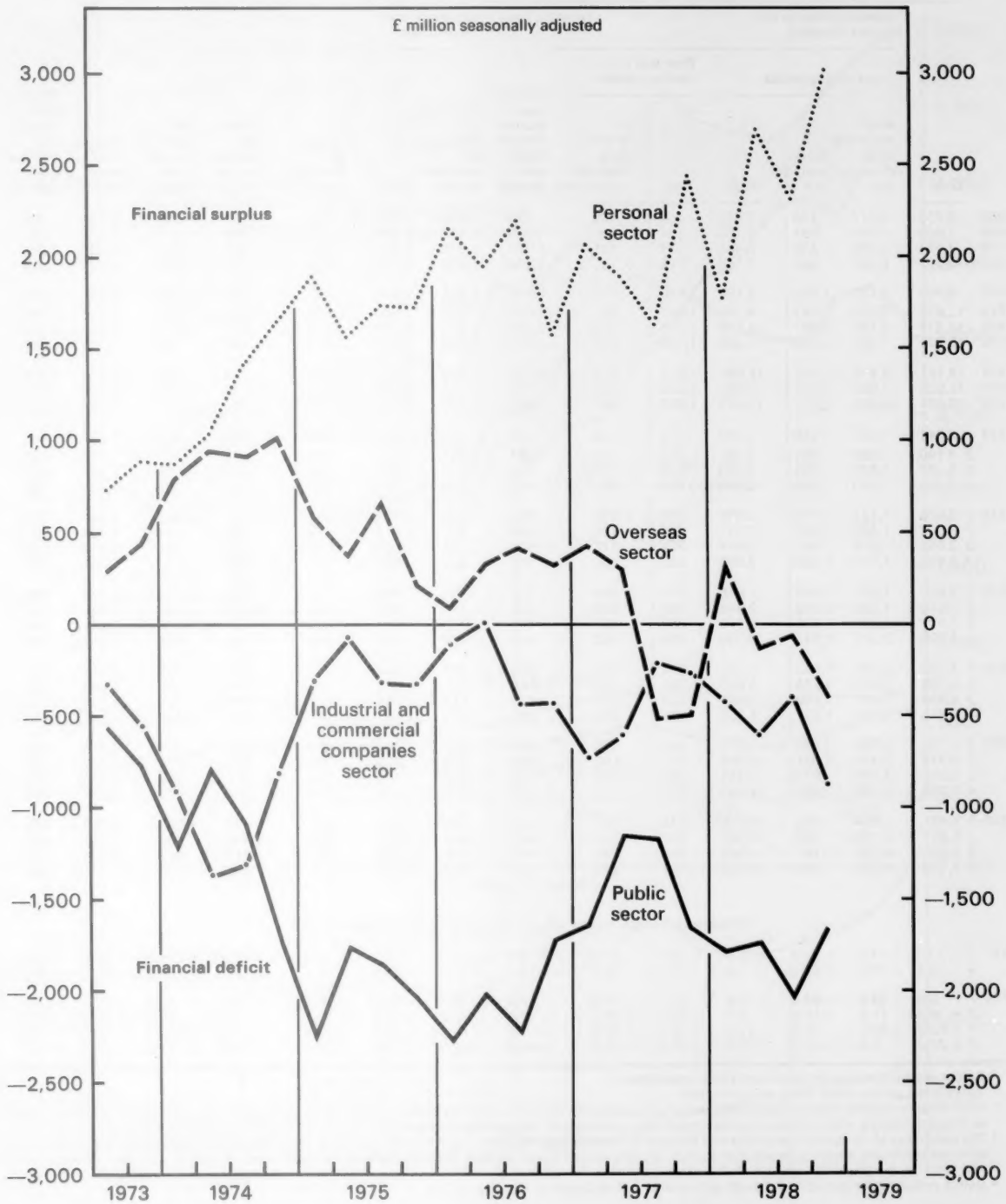
Seasonally adjusted

£ million

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1973	3,174	50	5,878	882	— 76	1,303	7,143	347	8,733
1974	2,626	110	7,555	784	— 66	1,458	7,521	332	12,257
1975	2,115	— 34	9,997	664	— 16	1,698	8,507	404	9,292
1976	2,835	—201	10,882	1,363	—129	2,036	11,804	358	13,140
1977	4,478	—234	9,871	1,329	—150	2,377	12,605	257	14,683
1978	3,094	—578	9,770	2,020	— 83	3,094	12,688	365	15,352
1974 *1*	386	69	1,699	239	— 14	374	1,952	82	2,942
2	942	— 6	1,713	195	— 17	361	1,933	90	3,399
3	895	— 9	1,976	105	— 18	342	1,780	77	3,165
4	403	56	2,167	245	— 17	381	1,856	83	2,751
1975 *1*	110	— 35	2,342	123	62	361	1,940	94	2,348
2	632	34	2,420	127	— 28	412	2,047	84	2,206
3	671	— 24	2,499	189	— 27	479	1,957	116	2,399
4	702	— 9	2,736	225	— 23	446	2,563	110	2,339
1976 *1*	506	— 24	2,774	220	— 26	457	2,477	91	2,673
2	803	— 42	2,770	220	— 35	496	2,884	97	2,974
3	510	— 39	2,703	425	— 34	543	3,025	82	3,549
4	1,016	— 96	2,635	498	— 34	540	3,418	88	3,944
1977 *1*	1,075	— 94	2,627	373	— 33	513	3,311	75	4,124
2	1,251	— 79	2,326	322	— 39	506	3,245	86	3,936
3	1,390	— 39	2,522	366	— 40	702	3,048	47	3,312
4	762	— 22	2,396	268	— 38	656	3,001	49	3,311
1978 *1*	800	—257	2,340	281	51	833	2,953	131	3,506
2	826	—133	2,438	477	— 42	782	3,261	88	3,952
3	553	— 92	2,513	611	— 42	693	3,338	68	3,804
4	915	— 96	2,479	651	— 50	786	3,136	78	4,090

	Personal sector			Net acquisition of financial assets[4]					
	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[3]	Residual error[6]
1973	5,942	—380	2,953	—2,654	—497	—1,243	2,609	1,058	727
1974	8,548	—451	3,144	—4,819	—740	—4,404	4,953	3,666	1,344
1975	10,901	—354	3,644	—7,916	—1,050	—381	6,903	1,843	601
1976	12,420	—28	4,529	—8,248	—802	—978	7,863	1,137	1,028
1977	13,276	127	5,383	—5,627	—1,198	—1,821	8,020	—298	924
1978	16,143	296	6,676	—7,254	—1,157	—2,299	9,763†	—254	1,201
1974 *1*	1,830	—137	826	—1,244	—149	—908	867	799	635
2	1,949	—96	822	—777	—183	—1,376	1,031	947	358
3	2,235	—90	740	—1,090	—255	—1,308	1,405	904	344
4	2,534	—128	756	—1,708	—153	—812	1,650	1,016	7
1975 *1*	2,851	—121	831	—2,267	—176	—314	1,899	592	266
2	2,535	—90	890	—1,754	—313	—75	1,555	361	226
3	2,732	—65	935	—1,852	—317	—326	1,732	676	87
4	2,783	—78	988	—2,043	—244	334	1,717	214	22
1976 *1*	3,234	—41	1,039	—2,292	—263	—105	2,154	83	423
2	3,027	—20	1,060	—2,009	—311	7	1,947	328	38
3	3,382	—9	1,179	—2,232	—152	—442	2,194	411	221
4	2,777	42	1,251	—1,715	—76	—438	1,568	315	346
1977 *1*	3 290	52	1,283	—1,646	—173	—738	2,059	428	70
2	3,180	32	1,318	—1,154	—223	—605	1,894	297	—209
3	2,914	32	1,320	—1,171	—376	—217	1,626	—522	660
4	3,892	11	1,462	—1,656	—426	—261	2,441	—501	403
1978 *1*	3,194	75	1,508	—1,797	—501	—422	1,761	341	618
2	4,206	87	1,604	—1,745	—347	—603	2,689	—146	152
3	4,058	66	1,820	—2,052	—124	—398	2,304	—51	321
4	4,685	68	1,744	—1,660	—185	—876	3,009	—398	110

[1] Excluding financial transactions in writing-off debt.
[2] Before providing for depreciation stock appreciation and addition to reserves.
[3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.
[4] This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation *less* increase in value of stocks and work in progress.
[5] Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers.
[6] The residual error in the national income accounts.

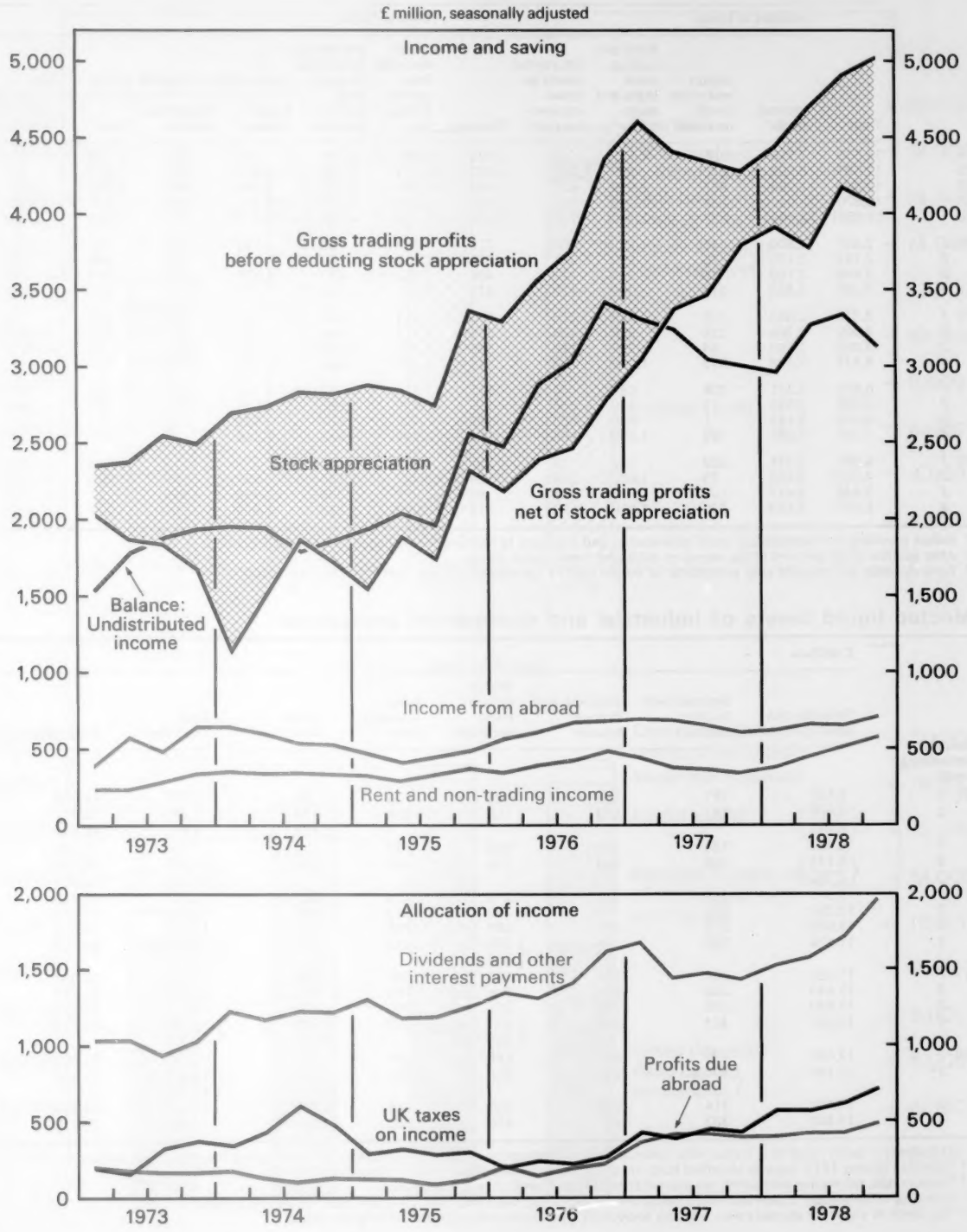

£ million seasonally adjusted
3,000
2,500
2,000
1,500
1,000
500
0
—500
—1,000
—1,500
—2,000
—2,500
—3,000
Financial surplus
Financial deficit
Personal sector
Overseas sector
Industrial and commercial companies sector
Public sector
1973
1974
1975
1976
1977
1978
1979

Appropriation account of industrial and commercial companies

£ million Seasonally adjusted

	Income							Allocation of income						
		Income arising in the United Kingdom						Dividends and interest, etc.						
		Gross trading profits			Rent and non-trading income									
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other[3]	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[2]
1968	6,854	5,172	470	5,642	457	139	755	1,434	1,067	656	311	919	3,123	705
1969	7,604	5,564	591	6,155	504	165	945	1,554	1,219	756	259	1,013	3,559	819
1970	7,984	5,608	838	6,446	514	151	1,024	1,378	1,301	799	322	1,297	3,686	1,041
1971	8,727	6,297	888	7,185	518	135	1,024	1,530	1,320	792	397	1,104	4,376	1,334
1972	9,906	7,128	1,036	8,164	628	196	1,114	1,524	1,510	969	549	1,082	5,241	1,592
1973	12,832	7,393	2,357	9,750	1,029	501	2,053	1,638	2,365	1,806	665	1,021	7,143	2,360
1974	14,671	6,191	4,867	11,058	1,325	695	2,288	1,469	3,340	2,716	525	1,816	7,521	4,012
1975	15,021	7,462	4,458	11,920	1,309	619	1,792	1,608	3,309	2,674	447	1,150	8,507	3,453
1976	19,111	9,810	5,151	14,961	1,613	814	2,537	1,852	3,815	3,156	744	896	11,804	4,116
1977	21,825	13,665	3,978	17,943	1,526	651	2,656	2,242	3,757	3,068	1,578	1,643	12,605	3,841
1978	23,601	15,901	3,171	19,072	1,892	855	2,637	2,706	4,047	3,473	1,714	2,446	12,688	3,477
1973 *1*	2,944	2,028	319	2,347	219	96	378	526	505	386	188	189	1,536	483
2	3,140	1,860	501	2,361	218	90	561	511	522	392	171	151	1,785	486
3	3,284	1,835	708	2,543	272	134	469	319	609	454	151	318	1,887	611
4	3,464	1,670	829	2,499	320	181	645	282	729	574	155	363	1,935	780
1974 *1*	3,678	1,121	1,574	2,695	340	192	643	432	792	647	170	332	1,952	938
2	3,652	1,489	1,242	2,731	326	170	595	355	811	657	126	427	1,933	1,068
3	3,692	1,874	953	2,827	334	172	531	357	855	691	103	597	1,780	1,024
4	3,649	1,707	1,098	2,805	325	161	519	325	882	721	126	460	1,856	982
1975 *1*	3,650	1,531	1,347	2,878	315	150	457	431	868	711	125	286	1,940	896
2	3,649	1,890	1,056	2,946	298	130	405	377	800	641	122	303	2,047	863
3	3,517	1,734	1,006	2,740	332	157	445	389	801	637	95	275	1,957	979
4	4,205	2,307	1,049	3,356	364	182	485	411	840	685	105	286	2,563	715
1976 *1*	4,205	2,181	1,112	3,293	343	159	569	487	848	673	200	193	2,477	947
2	4,555	2,387	1,178	3,565	381	181	609	431	872	709	136	232	2,884	986
3	4,835	2,461	1,289	3,750	408	204	677	449	954	787	194	213	3,025	1,122
4	5,516	2,781	1,572	4,353	481	270	682	485	1,141	987	214	258	3,418	1,061
1977 *1*	5,756	3,032	1,581	4,613	444	230	699	572	1,101	916	353	419	3,311	992
2	5,474	3,375	1,031	4,406	373	156	695	508	929	760	417	375	3,245	1,009
3	5,361	3,469	872	4,341	364	143	656	555	906	733	414	438	3,048	954
4	5,234	3,789	494	4,283	345	122	606	607	821	659	394	411	3,001	886
1978 *1*	5,431	3,904	534	4,438	373	136	620	704	808	646	399	567	2,953	874
2	5,811	3,778	922	4,700	450	200	661	625	951	808	410	564	3,261	873
3	6,066	4,165	741	4,906	508	240	652	615	1,088	941	413	612	3,338	843
4	6,293	4,054	974	5,028	561	279	704	762	1,200	1,078	492	703	3,136	887
	Percentage change, quarter on corresponding quarter of previous year													
1977 *3*	*+10·9*	*+41·0*	*−32·4*	*+15·8*	*−10·8*	*−29·9*	*− 3·1*	*+23·6*	*− 5·0*	*− 6·9*	*+113·4*	*+105·6*	*+ 0·8*	*−15·0*
4	*− 5·1*	*+36·2*	*−68·6*	*− 1·6*	*−28·3*	*−54·8*	*−11·1*	*+25·2*	*−28·0*	*−33·2*	*+ 84·1*	*+ 59·3*	*−12·2*	*−16·5*
1978 *1*	*− 5·6*	*+28·8*	*−66·2*	*− 3·8*	*−16·0*	*−40·9*	*−11·3*	*+23·1*	*−26·6*	*−29·5*	*+ 13·0*	*+ 35·3*	*−10·8*	*−11·9*
2	*+ 6·2*	*+11·9*	*−10·6*	*+ 6·7*	*+20·6*	*+28·2*	*− 4·9*	*+23·0*	*+ 2·4*	*+ 6·3*	*− 1·7*	*+ 50·4*	*+ 0·5*	*−13·5*
3	*+13·2*	*+20·1*	*−15·0*	*+13·0*	*+39·6*	*+67·8*	*+ 0·6*	*+10·8*	*+20·1*	*+28·4*	*− 0·2*	*+ 39·7*	*+ 9·5*	*−11·6*
4	*+20·2*	*+ 7·0*	*+97·2*	*+17·4*	*+62·6*	*+128·7*	*+16·2*	*+25·5*	*+46·2*	*+63·6*	*+ 24·9*	*+ 71·0*	*+ 4·5*	*+ 0·1*

[1] Before providing for depreciation and stock appreciation.
[2] These items are included solely as memoranda.
[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.
[4] The residual of all companies payments and financial companies and institutions accruals of taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973). Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the fourth quarter of 1978 the amount of advance corporation tax included was £288 million.
[5] Before providing for depreciation, stock appreciation and additions to reserves.


£ million, seasonally adjusted
Income and saving
5,000
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
Gross trading profits
before deducting stock appreciation
Stock appreciation
Gross trading profits
net of stock appreciation
Balance:
Undistributed
income
Income from abroad
Rent and non-trading income
1973
1974
1975
1976
1977
1978
Allocation of income
2,000
1,500
1,000
500
0
Dividends and other
interest payments
Profits due
abroad
UK taxes
on income
1973
1974
1975
1976
1977
1978

Sources and uses of capital funds of industrial and commercial companies

£ million

	Total	Sources of funds: Internal funds[1]	Import and other credit received	Bank borrowing, other loans and mortgages[2]	UK capital issues by listed companies (net)	Overseas	Uses of funds: Gross domestic fixed capital formation	Increase in book value of stocks and work in progress	Acquisition of financial assets: Liquid assets[3]	Investment abroad	Other	Unidentified items (residual)
1974	14,558	7,719	685	4,491	70	1,593	6,062	6,195	141	825	1,162	173
1975	12,587	8,907	272	899	1,252	1,257	6,734	2,558	1,809	191	1,327	− 32
1976	17,306	11,268	867	2,916	827	1,428	8,014	5,126	1,890	716	2,373	−813
1977	18,870	13,027	434	3,092	662	1,655	9,678	5,005	2,952	645	1,927	−1,337
1978	19,056†	13,594	459	2,753†	741	1,509	11,126	4,226	2,738†	677	2,122	−1,833†
1975 *1*	2,891	1,800	46	769	51	225	1,523	799	193	144	51	181
2	2,797	2,176	−75	170	351	175	1,572	539	−236	226	865	− 169
3	2,649	2,102	−18	−341	420	486	1,832	477	1,373	−209	−412	− 412
4	4,250	2,829	319	301	430	371	1,807	743	479	30	823	368
1976 *1*	3,313	2,434	216	−143	228	578	1,611	924	146	121	493	18
2	4,602	2,704	228	975	436	259	1,917	990	724	205	923	− 157
3	3,920	2,592	44	796	140	348	2,229	1,350	735	135	−16	− 513
4	5,471	3,538	379	1,288	23	243	2,257	1,862	285	255	973	− 161
1977 *1*	4,862	3,271	224	698	34	635	1,964	2,022	126	205	−183	728
2	4,968	3,343	14	849	344	418	2,495	1,368	545	377	751	− 568
3	4,253	3,132	1	535	182	403	2,435	657	922	42	518	− 321
4	4,787	3,281	195	1,010	102	199	2,784	958	1,359	21	841	−1,176
1978 *1*	4,657	3,011	229	642	18	757	2,571	886	413	14	− 6	779
2	4,934†	3,406	79	1,020†	345	84	2,757	1,134	829†	−86	953	− 653†
3	3,838	3,614	−169	73	265	55	2,760	996	438	185	−72	− 469
4	5,627	3,563	320	1,018	113	613	3,038	1,210	1,058	564	1,247	−1,490

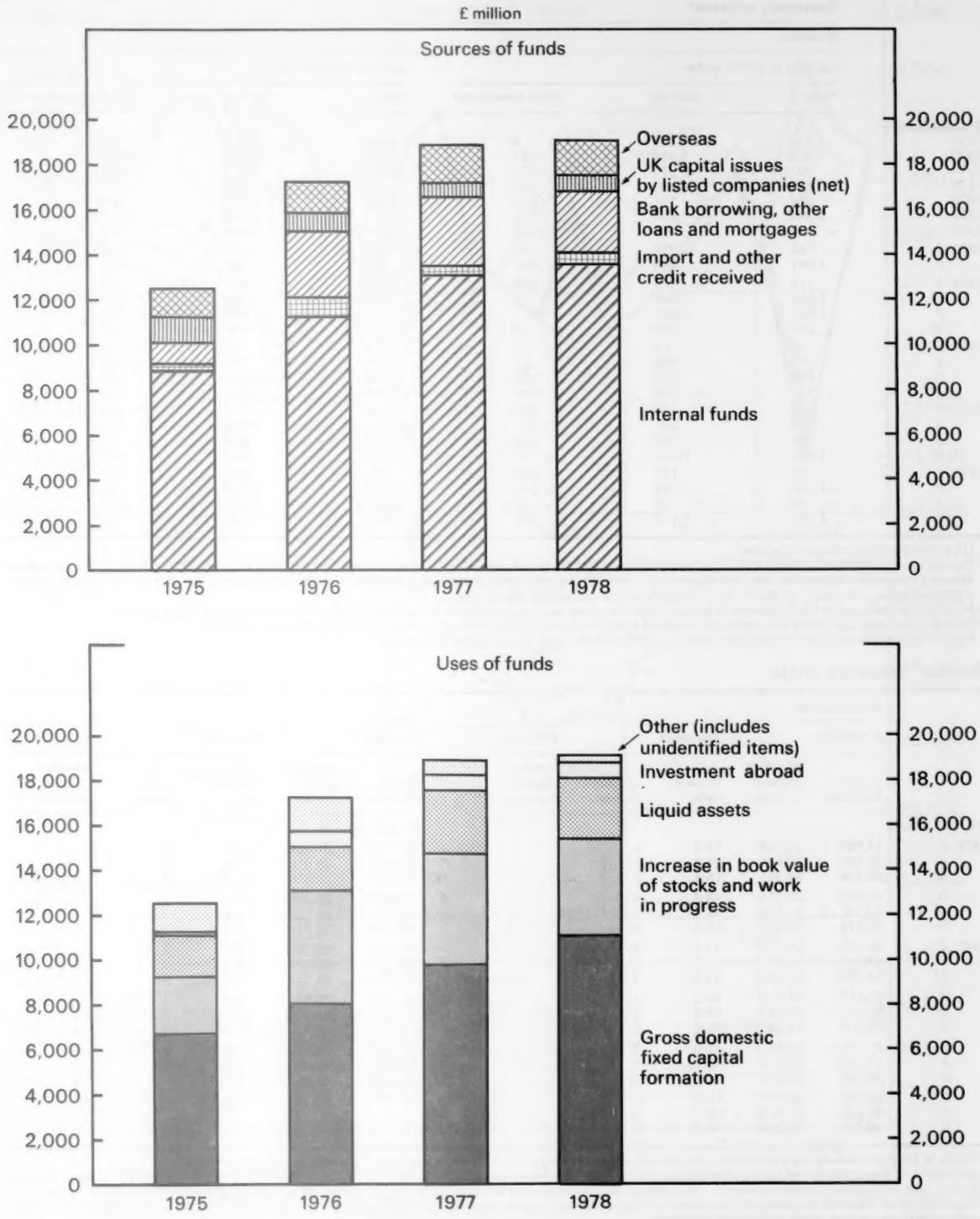
[1] Before providing for depreciation, stock appreciation and additions to reserves and adjusted for unremitted profits.
[2] After addition of 40 per cent of the excess of debit over credit transit items.
[3] Bank deposits are included after subtraction of 60 per cent of the excess of debit over credit transfer items.

Selected liquid assets of industrial and commercial companies

£ million

Amounts outstanding at end:	Deposits with banking sector[1,2,3]	Deposits with building societies	Deposits with finance houses[1]	British government securities	Local authority debt	Other identified[1,4]	Total identified[1]	Bank advances[1,5]
1975 *1*	8,149	181	163	86	739	59	9,377	19,063
2	8,050 8,302	183	173	155	706	116 113	9,383 9,652	19,817 18,268
3	9,480	184	159	149	723	386	11,081	18,188
4	9,744 9,734	185	136	175	741	356	11,337 11,327	18,362 18,410
1976 *1*	9,697	222	183	216	730	567	11,615	18,423
2	10,252	251	193	255	712	690	12,353	19,803
3	11,002	273	203	257	706	430	12,871	20,612
4	11,174	289	210	298 289	932	240	13,137 13,128	21,707
1977 *1*	11,225	304	201	301	867	301	13,208	22,012
2	11,463	336	224	336	783	464	13,629	22,672
3	11,940	363	220	353	705	753	14,370	22,954
4	12,981	401	214	377 437	577	690 711	15,295 15,376	23,333
1978 *1*	13,463	426	211	418	591	555	15,726	23,682
2[6]	14,189	446 333	256	438	591	480	16,415 16,285	25,029
3	14,121	314	258	446	615	724	16,481	24,937
4	14,800	337	230	435	665	837	17,304	25,735

[1] The breaks in series result from further information regarding holdings by sector and changes to the banking and finance houses sectors.
[2] From 2nd quarter 1973 includes identified holdings of dollar certificates of deposit. [3] After deducting 60% item in transit.
[4] Treasury bills, tax reserve certificates, tax deposit accounts, and certificates of tax deposits.
[5] Including refinanceable export and shipbuilding credits with effect from mid-May 1972 and after addiing 40% items in transit.
[6] The break in series for deposits with building societies is due to new returns from building societies.


£ million
Sources of funds
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
Overseas
UK capital issues by listed companies (net)
Bank borrowing, other loans and mortgages
Import and other credit received
Internal funds
1975
1976
1977
1978
Uses of funds
Other (includes unidentified items)
Investment abroad
Liquid assets
Increase in book value of stocks and work in progress
Gross domestic fixed capital formation

Bank lending[1] to UK residents

Seasonally adjusted[2]

£ million

	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions						
1972	−1,026	−1,030	4	6,434	5,511	923
1973	1,995	1,134	861	6,828	5,671	1,157
1974	701	− 370	1,071	4,671	3,734	937
1975	3,380	3,097	283	121	− 375	496
1976	300	− 134	434	3,388	3,140	248
1977	2,373	1,691	682	4,711	3,492	1,219
1978	− 329	77	− 406	5,692	4,631	1,061
1974 *3*	− 124	− 224	100	1,504	1,356	148
4	1,041	549	492	328	87	241
1975 *1*	113	− 185	298	190	231	− 41
2[5]	1,334	1,346	− 12	204	− 35	239
3	1,641	1,641	—	− 175	− 426	251
4[4]	292	295	− 3	− 98	− 145	47
1976 *1*	28	11	17	254	319	− 65
2	− 246	− 300	54	713	795	− 82
3	838	680	158	1,165	1,014	152
4	− 123	− 328	205	1,058	815	243
1977 *1*	312	− 191	503	1,264	708	556
2	202	202	—	1,213	1,054	159
3	795	546	249	869	808	61
4	1,080	1,150	− 70	1,349	906	443
1978 *1*	− 52	177	− 229	821	639	182
2	−1,484	−1,244	− 240	2,118	1,648	470
3	− 24	− 36	− 60	1,467	1,156	311
4	1,236	1,113	123	1,281	1,183	98

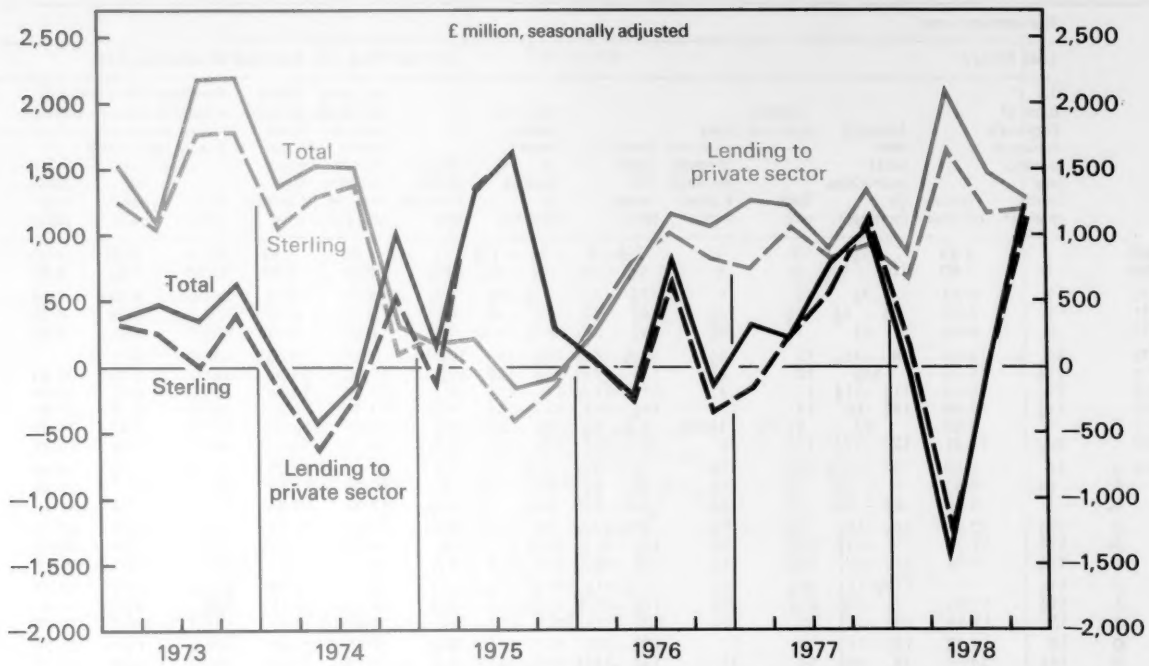
[1] UK banking sector: changes in assets.
[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.
[3] From the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.
[4] Figures have been calculated to exclude the effect of small changes in the number of contributors to the banking statistics.
[5] Figures have been calculated to exclude the effects of the introduction of new statistical returns.

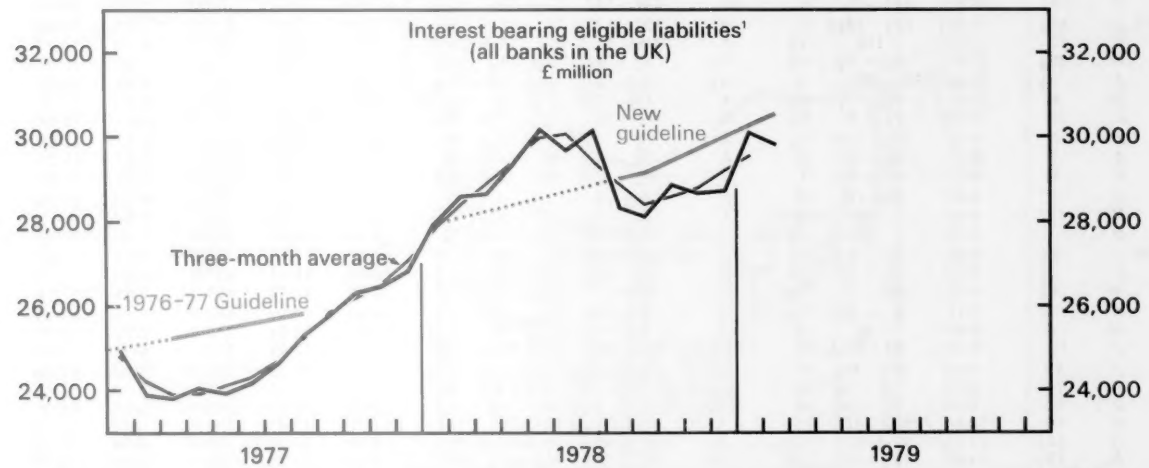
Banks' reserve ratio

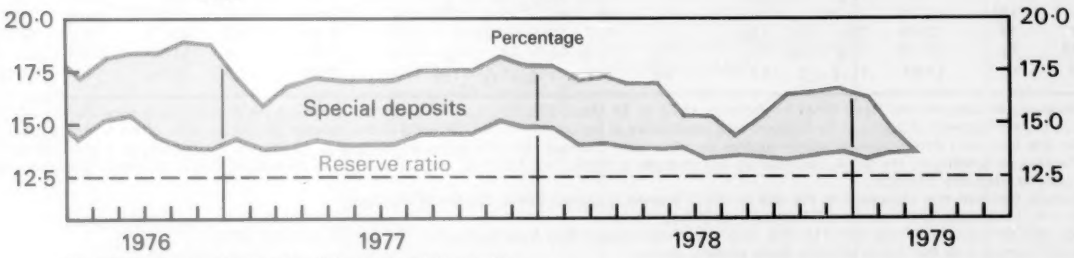
Unadjusted

	£ million		Per cent		£ million		£ million		Per cent		£ million
	Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]	Supplementary deposits[2,3]		Eligible liabilities	*of which:* Interest bearing	Reserve ratio	Special deposits[2]	Supplementary deposits[2,3]
At mid-month							**At mid-month**				
1976 *J*	34,987	23,766	14·2	3		1978 *J*	41,678†	27,985†	14·8	3	
A	35,185	23,955	15·1	3		*F*	42,225	28,615	14·0	3	
S	35,796	24,392	15·4	3		*M*	42,557	28,680	14·2†	3	
O	36,623	25,216	14·4	4		*A*	43,863	29,369	13·9	3	
N	37,281	26,085	13·9	5		*M*	44,514	30,108	13·9	3	
D	36,878	25,422	13·8	5		*J*	44,355	29,718	13·8	1½	
1977 *J*	36,148	24,996	14·4	3		*J*	45,022	30,167	13·4	2	
F	34,835	23,911	13·8	2		*A*	43,404	28,274	13·5	1	
M	34,978	23,839	13·9	3		*S*	43,508	28,141	13·4	2	
A	35,844	24,010	14·2	3		*O*[4]	44,832	28,889	13·4	3	
M	35,827	23,943	14·0	3	1	*N*	44,634	28,680	13·5	3	1
J	36,278	24,221	14·0	3	—	*D*	45,001	28,734	13·6	3	2
J	37,094	24,672	14·0	3	1	1979 *J*	45,982	30,077	13·4	3	2
A	37,692	25,319	14·5	3		*F*	45,553	29,773	13·6	1	3
S	38,795	25,801	14·5	3		*M*	46,082	29,909	13·6	—	2
O	39,709	26,321	14·5	3		*A*	47,511	30,183	13·6	—	1
N	40,209	26,495	15·1	3		*M*					
D	40,850	26,804	14·8	3		*J*					

[1] Banks in Northern Ireland were excluded up to the first figure for May 1975. [2] Not yet applicable to banks in Northern Ireland.
[3] For details of the activation of the supplementary special deposit scheme between November 1976 and August 1977, see the additional notes to Table 3 in the Bank of England Quarterly Bulletin. The scheme was re-introduced in June 1978, but no payments can become due until November 1978.
[4] The addition of National Girobank to this series in October inflated eligible liabilities by £310 million and the reserve ratio by 0·1%; hitherto this bank was outside the normal credit control arrangements.







[1] Supplementary special deposits will have to be paid by banks and deposit-taking finance houses, according to growth in excess of the guideline, at rates of 5 per cent (up to 3 per cent excess), 25 per cent (over 3 and up to 5 per cent excess) and 50 per cent (above 5 per cent excess) of interest-bearing eligible liabilities.

Interest rates, security prices and yields

Percentage rate

	Last Friday							Last working day	Average of working days				
	Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	London clearing banks: Base rate	London clearing banks: Deposit account: 7 days' notice[4]	London clearing banks: Inter-bank (3-month rate)[5]	Sterling certificates of deposit (3 months)	Euro-dollar 3-month rate	Building Societies Association recommended rate on shares[6]	British government securities 2½% Consols yield	*Financial Times* index of industrial ordinary shares: 1 July 1935=100 — Price index	Dividend yield	Earnings yield[7]
1968	7	6·89	7⅞	7	5	7⅛–8	7⅛ – 7⅛	7¼	4·50	7·39	463·3	4·05	4·99
1969	8	7·80	9 – 9 1/16	8	6	9⅛ – 9¼	9⅛ – 9¼	11 3/16	5·00	8·88	419·8	4·43	5·82
1970	7	6·93	7¼	7	5	7⅛ – 7¼	7 3/16–7 5/16	7 1/16	5·00	9·16	361·0	4·75	6·54
1971	5	4·46	4½ – 4 5/8	4½	2½	4⅜ – 4½	4⅜ – 4½	5½	5·00	9·05	386·2	4·76	6·21
1972	9	8·48	8¾	7½	5½	8⅛ – 9 1/16	8 1/16– 9 1/16	5 1/16	5·25	9·11	503·8	3·26	4·98
1973	13	12·82	16 –16⅛	13	9½	16 1/16–16 5/16	15¾ –16	10⅜	7·50	10·85	435·6	4·12	..
1974	11½	11·30	13½	12	9½	12½ –12 3/16	12⅛ –12⅜	10½	7·50	14·95	251·2	8·23	21·47
1975	11½	10·93	11½ –11⅜	11	7	11 1/16–11 3/16	11 –11⅛	6 1/16	7·00	14·66	311·0	6·81	19·49
1976	14½	13·98	14¾ –15	14	11	14½ –14⅝	14 1/16–14½	5 1/16	7·80	14·25	368·0	5·96	17·61
1977	7	6·39	6¾	6¾–7½	3½–4½	6 9/16– 6⅝	6⅛ – 6 7/16	7⅛	6·00	12·32	452·3	5·42	16·50
1978	12½	11·91	12⅜ –12½	12½	10	12 1/16–12⅜	12⅜ –12½	11 1/16	8·00†	12·38	482·4	5·98	15·73
1976 J	10	9·52	9⅞ – 9 11/16	10½	6½	9⅜ – 9 11/16	9 7/16– 9½	5⅜	7·00	13·78	397·0	5·30	14·91
F	9½	8·80	9 – 9⅛	9½	5½	8½ – 8⅞	8 1/16– 8 1/16	5⅛	7·00	13·54	404·2	5·17	14·99
M	9	8·60	8⅝ – 8¾	9½	5½	8 9/16– 8 11/16	8 7/16– 8 9/16	5 7/16	7·00	13·95	404·7	5·12	15·01
A	10½	10·20	10⅛ –10¼	9½	5½	9 13/16–10 1/16	9⅞ – 9 15/16	5 9/16	7·00	13·97	406·0	5·13	15·17
M	11½	11·31	11¼ –11⅜	10½	6½	11¼ –11 3/16	11 3/16–11 5/16	6⅛	6·50	13·72	406·6	5·26	15·19
J	11½	11·30	11⅜ –11¼	10½	6½	11⅜ –11 7/16	11¼ –11⅜	6 1/16	6·50	14·01	378·6	5·69	16·14
J	11½	11·17	11 3/16–11¼	10½	6½	11 3/16–11¼	11 3/16–11¼	5 13/16	6·50	13·95	383·8	5·74	16·44
A	11½	11·25	11⅜ –11¼	10½	6½	11⅜ –11 5/16	11 3/16–11¼	5 11/16	6·50	14·11	368·1	6·03	17·55
S	13	12·74	12⅜ –12⅝	12	8½	12½ –12⅜	12½ –12⅝	5⅝	6·50	14·47	344·0	6·52	19·23
O	15	14·97	15⅛ –15¼	14	11	15⅛ –15⅜	15 3/16–15¼	5 7/16	6·50	15·43	293·6	7·61	23·07
N	14¾	14·54	15 –15¼	14	11	14¾ –14 13/16	14 9/16–14 11/16	5 9/16	7·80	15·22	301·0	7·28	22·66
D	14½	13·98	14¾ –15	14	11	14½ –14⅝	14 7/16–14½	5 1/16	7·80	14·82	328·6	6·67	20·91
1977 J	12¼	12·09	12⅜ –13⅜†	13	9½	12¼ –12⅜	12 –12 1/16	5½	7·80	13·67	374·7	6·01	18·69
F	12	11·06	11⅜	11½	8	11 5/16–11 7/16	11⅛ –11 3/16	5 3/16	7·80	13·47	393·8	5·83	18·77
M	10½	9·57	9½ – 9⅝	9½	6½	9⅜ – 9 1/16	9 7/16– 9⅜	5 5/16	7·80	12·85	418·2	5·39	16·91
A	8¼	7·64	8⅛	9	4½	7 15/16– 8 1/16	7 13/16– 7⅞	5 5/16	7·80	12·55	415·1	5·51	16·82
M	8	7·57	7⅞ – 7⅞	8½	4	7 1/16– 7 1/16	7 1/16– 7⅛	6 1/16	7·00	12·41	456·7	5·08	15·54
J	8	7·60	7⅞ – 8	8½	4	7⅞ – 8	7⅞ – 7 15/16	5 5/16	7·00	12·85	450·5	5·19	15·83
J	8	7·44	7⅞ – 7⅞	8½	4	7⅞ – 7 13/16	7 9/16– 7 11/16	6¼	6·70	13·11	443·1	5·37	16·09
A	7	6·52	6⅞ – 6¾	8	4	6⅞ – 6¾	6⅞ – 6 11/16	6⅜	6·70	12·56	478·6	5·23	15·26
S	6	5·37	5 13/16– 5⅞	7	3	5⅞ – 5 13/16	5⅞ – 5 23/32	6 9/32	6·70	11·52	522·8	5·08	14·98
O	5	4·53	4⅞ – 5	6	3	4 3/16– 5	4 3/16– 4 5/16	7½	6·70	10·84	511·9	5·26	15·55
N	7	6·53	6¾	6	3	6½ – 7⅛	6⅞ – 6 15/16	7 3/32	6·00	11·04	480·5	5·56	16·72
D	7	6·39	6¾	6¾–7½	3½–4½	6 9/16– 6⅝	6⅞ – 6 7/16	7⅛	6·00	10·90	481·6	5·56	16·83
1978 J	6½	5·85	6½ – 6 5/16	6½	3	6 5/16– 6½	6½ – 6½	7 1/32	6·00	10·67	482·3	5·57	16·96
F	6½	6·07	6⅜ – 6¾	6½	3	6⅜ – 6⅞	6⅜ – 6¾	7 3/16	5·50	11·21	457·9	5·85	17·74
M	6½	6·02	6⅜ – 7	6½	3	6 13/16– 7	6 11/16– 6 13/16	7 9/16	5·50	11·18	454·9	5·94	17·51
A	7½	7·12	8 – 8⅛	7½	4	8 3/16– 8½	8⅛ – 8¼	7 23/32	5·50	11·65	460·9	5·85	17·25
M	9	8·67	9¼	9	6	9 5/16– 9 7/16	9 3/16– 9¼	7 13/16	5·50	12·07	476·6	5·58	16·86
J	10	9·49	9⅞ –10 1/16	10	6¾–7	10 1/16–10¼	9 15/16–10 1/16	8 13/32	5·50	12·31	466·1	5·68	16·65
J	10	9·33	10⅛ –10⅛	10	6½–7	9 15/16–10 3/16	9 13/16– 9 15/16	8 17/32	6·70	12·20	472·2	5·62	17·06
A	10	9·03	9¼ – 9⅜	10	6½–7	9 3/16– 9⅜	9 3/16– 9 5/16	8 23/32	6·70	12·15	508·8	5·28	15·88
S	10	9·38	9⅜ – 9⅝	10	6½–7	9 5/16– 9 7/16	9¼ – 9⅜	9 5/16	6·70	12·17	516·0	5·21	15·02
O	10	10·56	10⅜ –10⅞	10	6½–7	10⅜ –11 1/16	10 1/16–11	11 3/32	6·70	12·42	497·5	5·42	15·09
N	12½	11·91	12 3/16–12½	12½	10	12 1/16–12½	12 1/16–12 3/16	11⅜	6·70	12·63	476·9	5·86	15·86
D	12½	11·91	12⅜ –12½	12½	10	12 5/16–12⅜	12⅜ –12½	11 1/16	8·00	12·38	482·4	5·98	15·73
1979 J	12½	12·46	13	12½	10	13 –13⅛	12 5/16–12 1/16	10 31/32	8·00	12·51	474·1	6·10	16·01
F	14	12·61	13½ –13⅜	13½	11	12⅞ –13 3/16	12 1/16–13	10 31/32	8·00	12·63	460·2	6·18	16·16
M	13	11·78	12⅜ –12½	13	10½	12 1/16–12 5/16	12 –12⅛	10 7/16	8·00	11·36	511·5	5·53	14·54
A	12	11·61	11 13/16–12	12	9½	11⅞ –11 15/16	11 9/16–11 11/16	11 1/16	8·00	10·68	537·4	5·37	14·32

[1] Previously known as Bank Rate. From 13 October 1972 to 24 May 1978, the Bank of England's minimum lending rate was normally set ¼% higher than the average rate of discount for Treasury bills established at the weekly tender, rounded to the nearest ¼% above. With effect from 25 May 1978 the rate has been determined by administrative decision with changes normally being announced at 12.30 p.m. on Thursdays; a new rate becomes effective, for lending by the Bank, immediately. For changes in Bank Rate 1932–72 see *Supplement of Definitions and Explanatory Notes* to *Monthly Digest of Statistics (HMSO)*.

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

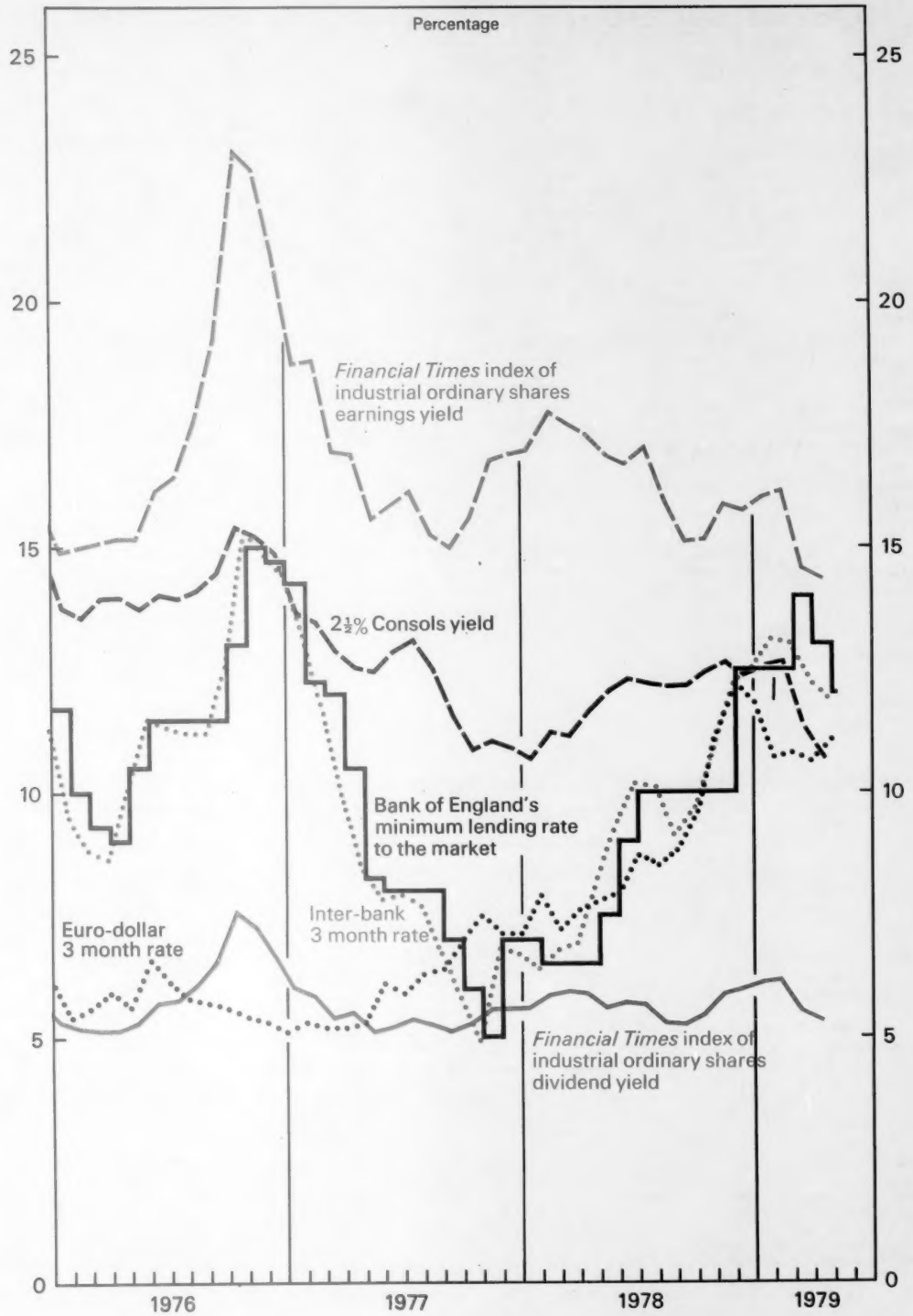
[3] For a minimum term of 3 months and thereafter at 7 days' notice.

[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.

[5] Spread of rates over the day in the inter-bank sterling market.

[6] Net of income tax where this is paid by societies at the agreed composite rate.

[7] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Explanatory handbook*. No meaningful average for 1973 is therefore available.


Percentage
25
20
15
10
5
0
Financial Times index of industrial ordinary shares earnings yield
2½% Consols yield
Bank of England's minimum lending rate to the market
Euro-dollar 3 month rate
Inter-bank 3 month rate
Financial Times index of industrial ordinary shares dividend yield
1976
1977
1978
1979

Cyclical indicators for the UK economy

Recent movements of the indicators

(*data available to 18 May 1979*)

The composite index of *longer leading* indicators rose again in April. Only two indicators are available for this month: the short term rate of interest (used in inverted form) which fell back slightly and the FT-Actuaries 500 index which rose strongly. Housing starts in March fell.

The composite index of *shorter leading* indicators rose in March. Only two series are available for this month: new car registrations which rose very sharply on the low figures for February, and bankruptcies for the first quarter of 1979 which fell compared with the last quarter of 1978.

The composite index of *coincident* indicators rose sharply in March. Retail sales rose slightly while the percentage of firms working below capacity reported in the CBI Industrial Trends Survey improved considerably. The index of manufacturing production rose from the levels recorded in January and February.

The composite index of *lagging indicators* rose again in April reflecting a further rise in notified vacancies and a fall in numbers unemployed.

Definitions[1]

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude, and inversion where appropriate.

Values and timing characteristics of the composite indices

	Most recent values[3] January 1975 =100												Lead (−) or lag (+) in months relative to reference cycle dates[4]		
	1978								1979						
	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	Mean	Earliest	Latest
Longer leading ..	107·3	106·6	106·9	108·0	106·8	104·6	101·4	99·4	97·6	96·7	98·4	100·8	−12	−17	−7
	4	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*2*			
Shorter leading ..	111·2	112·2	114·6	116·4	114·3	112·1	109·2	108·2	108·8	112·0	113·0		−5	−9	−1
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*4*	*2*	*2*				
Coincident ..	106·8	107·9	109·1	109·7	108·8	108·0	107·4	106·3	106·6	107·3	100·3		+2	—	+6
	6	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*3*	*3*	*3*				
Lagging	94·6	95·2	95·4	95·6	96·4	97·1	98·3	99·0	99·3	98·8	99·8	102·0	+11	+5	+18
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*3*	*2*	*2*	*2*			

[1] A full explanation of the methodology used is given in *Economic Trends*, No. 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further eight pages showing individual indicator series.

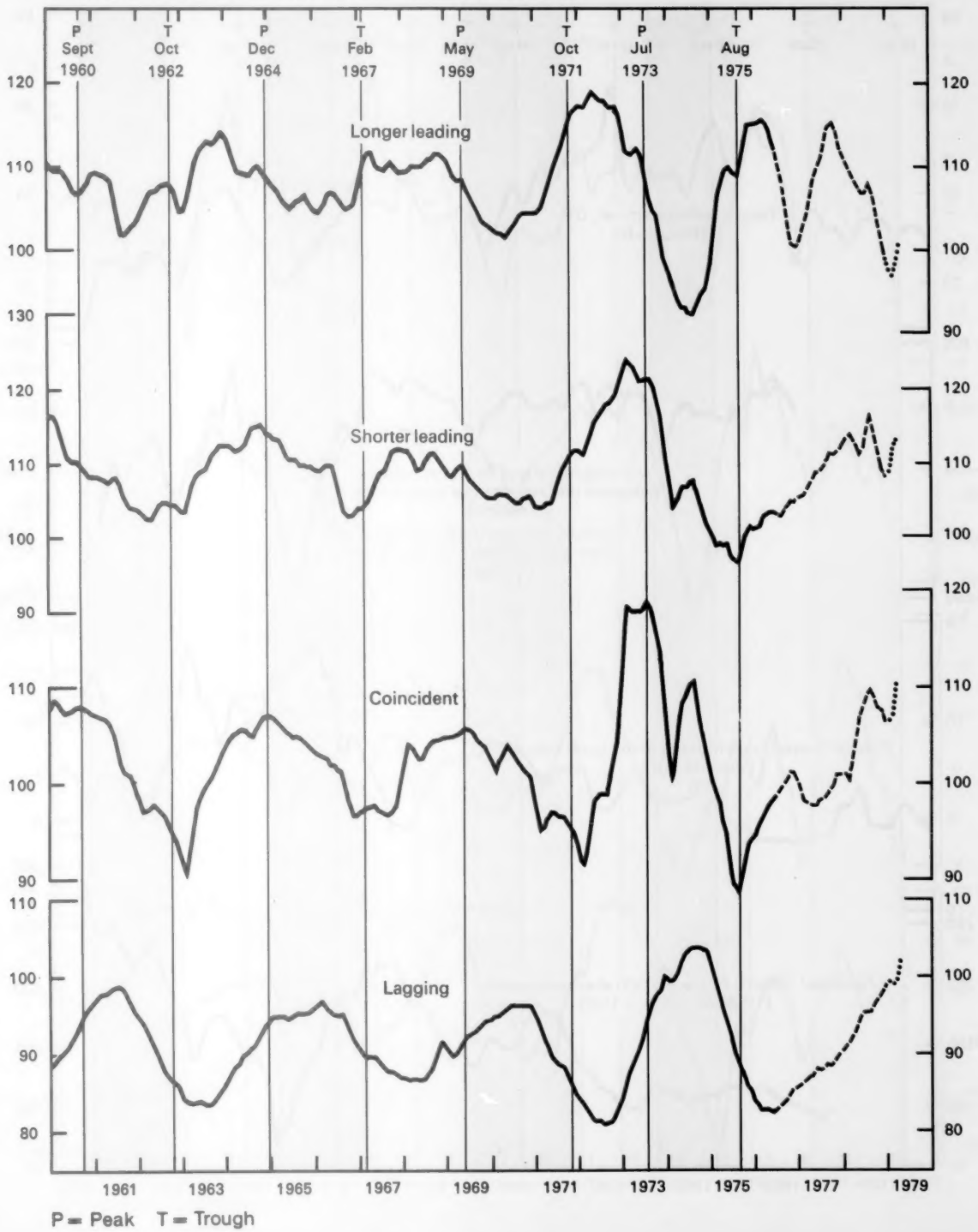
[2] Two of the shorter leading indicators have been adjusted as a result of recent development work. The hire purchase new credit extended series has been deflated using indices of new car, used car and household durable goods prices. Gross trading profits have been adjusted to take account of North Sea oil activity. Further details are available on request.

[3] In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO Press Office. 01-233 6193.

[4] The table incorporates changes to the timing characteristics of series due to revisions to data and the rebasing on 1975 of some series. Further changes may be necessary when all rebased series become available and the current review of the reference cycle chronology is completed.

Cyclical indicators

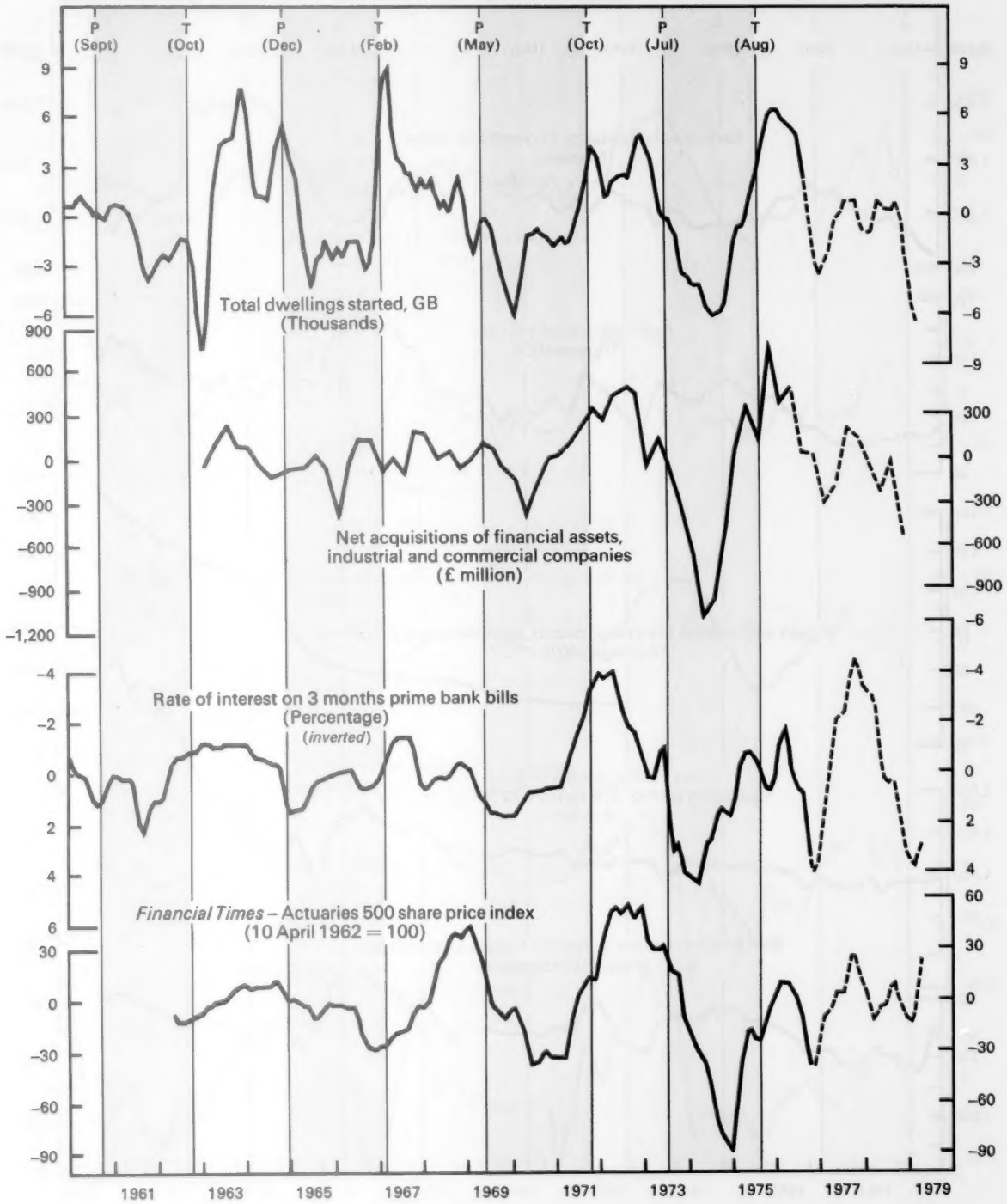
Composite indices of indicator groups. January 1975 =100



Cyclical indicators by timing classification
Longer leading indicators. Smoothed seasonally adjusted series

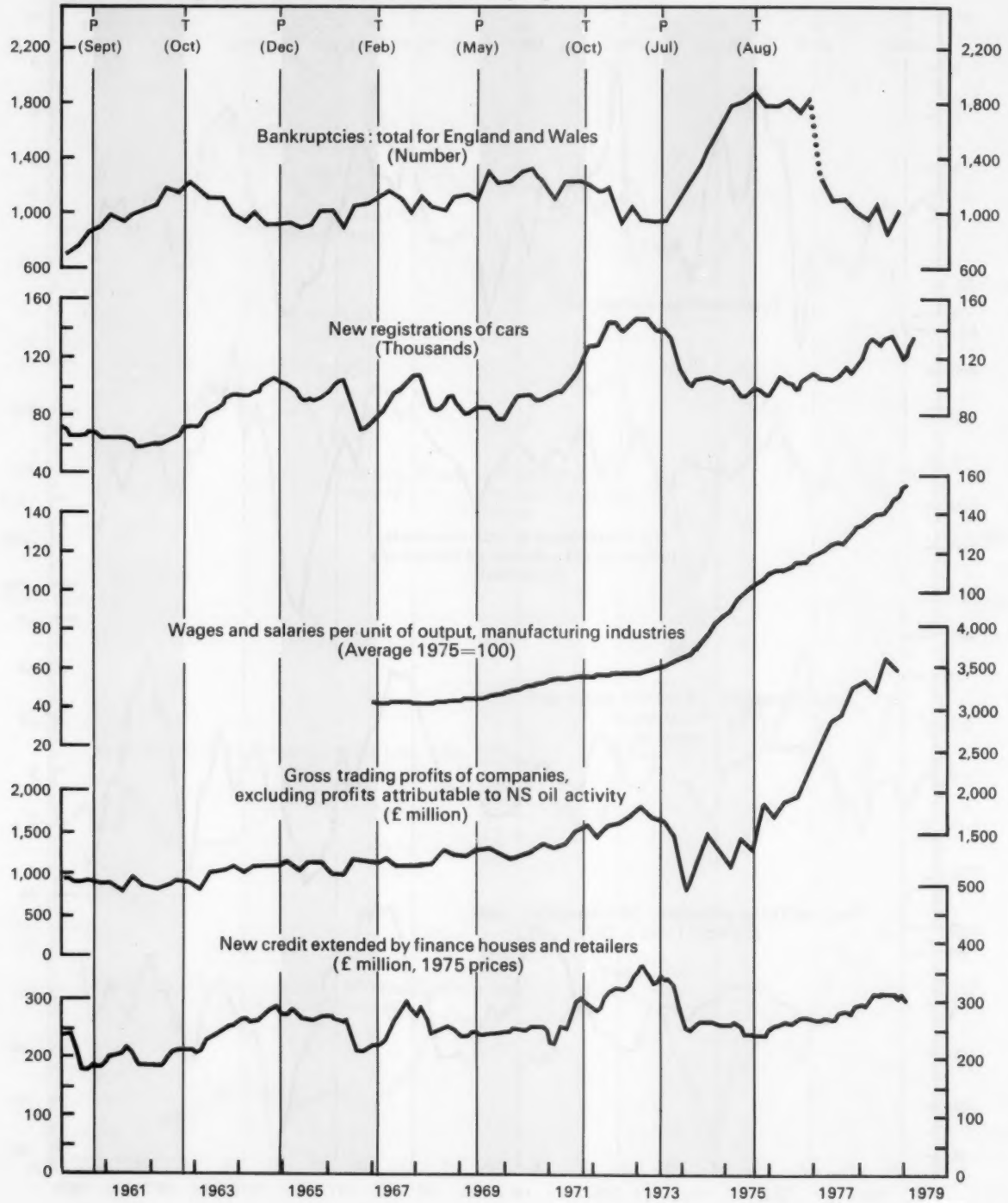
Cyclical indicators by timing classification

Longer leading indicators. Smoothed trend-eliminated series

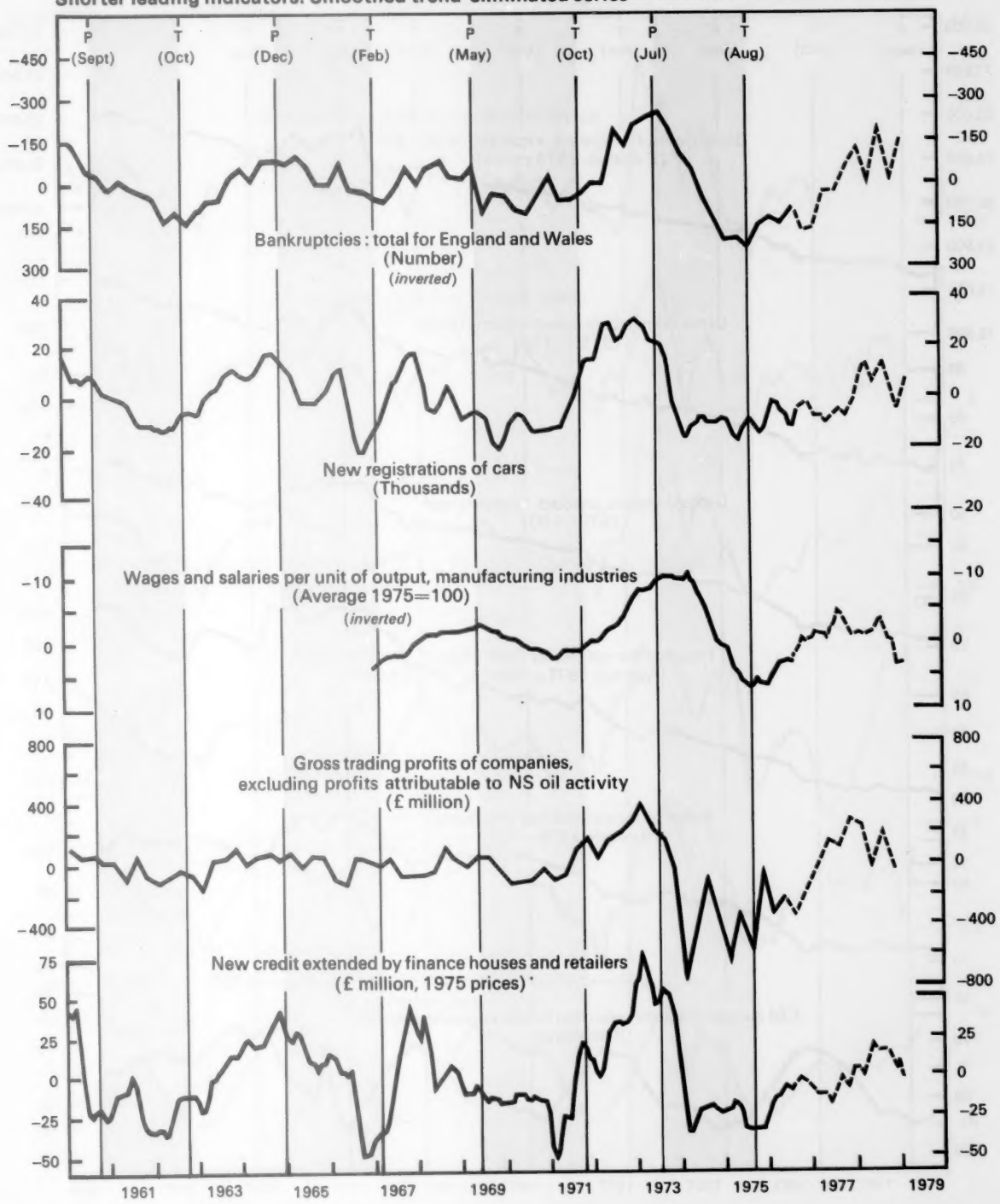


Cyclical indicators by timing classification

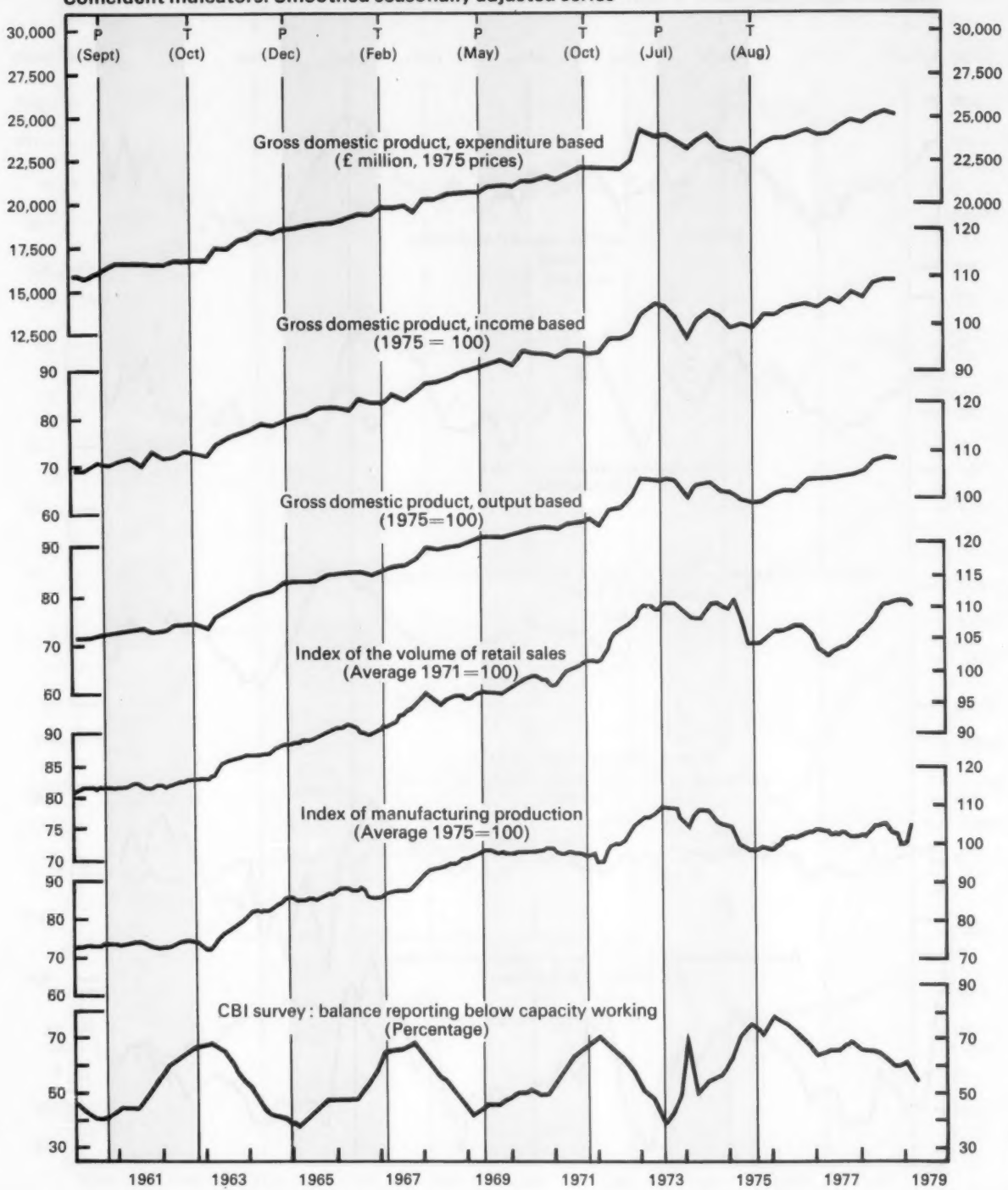
Shorter leading indicators. Smoothed seasonally adjusted series



Cyclical indicators by timing classification
Shorter leading indicators. Smoothed trend-eliminated series

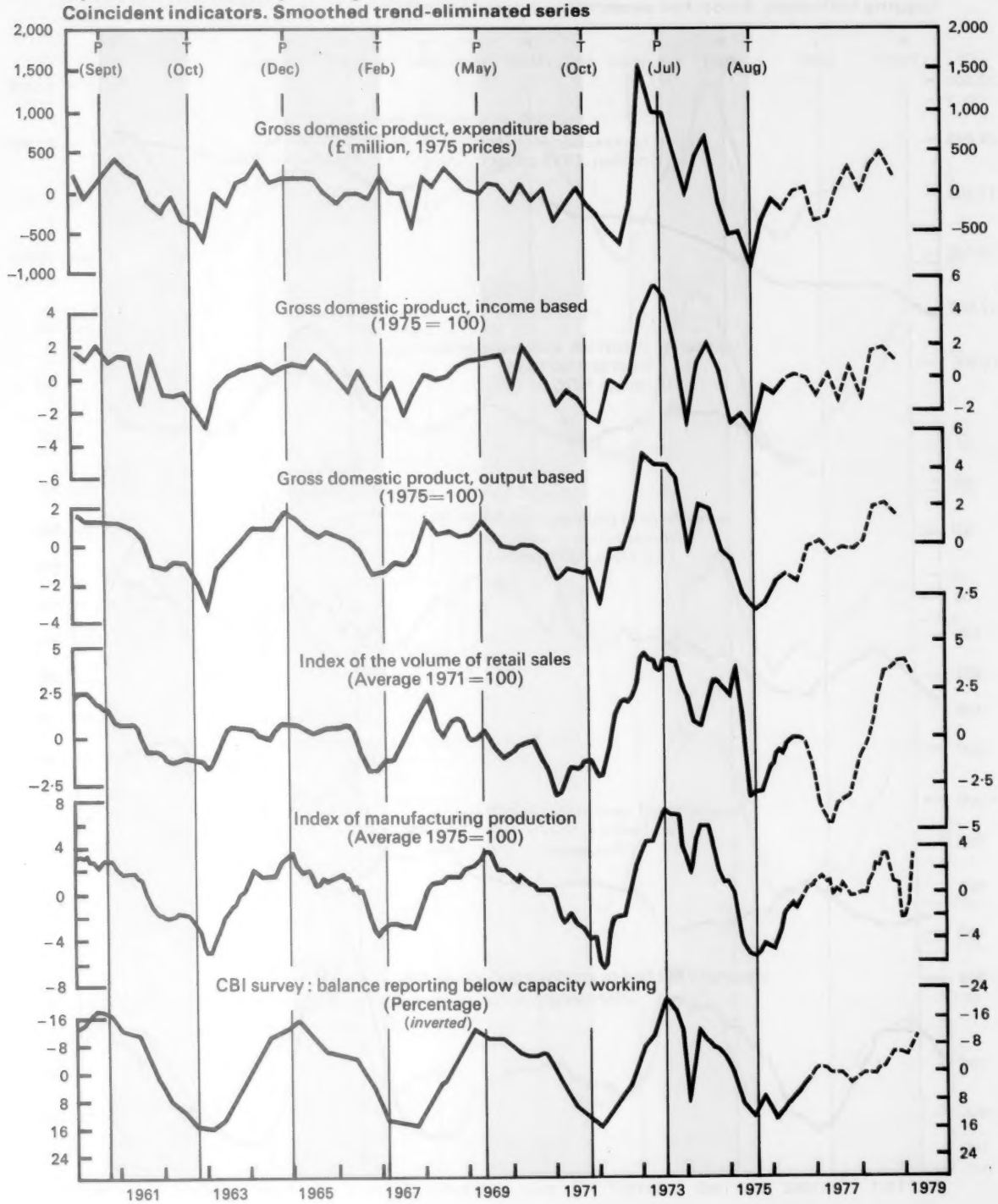


Cyclical indicators by timing classification
Coincident indicators. Smoothed seasonally adjusted series



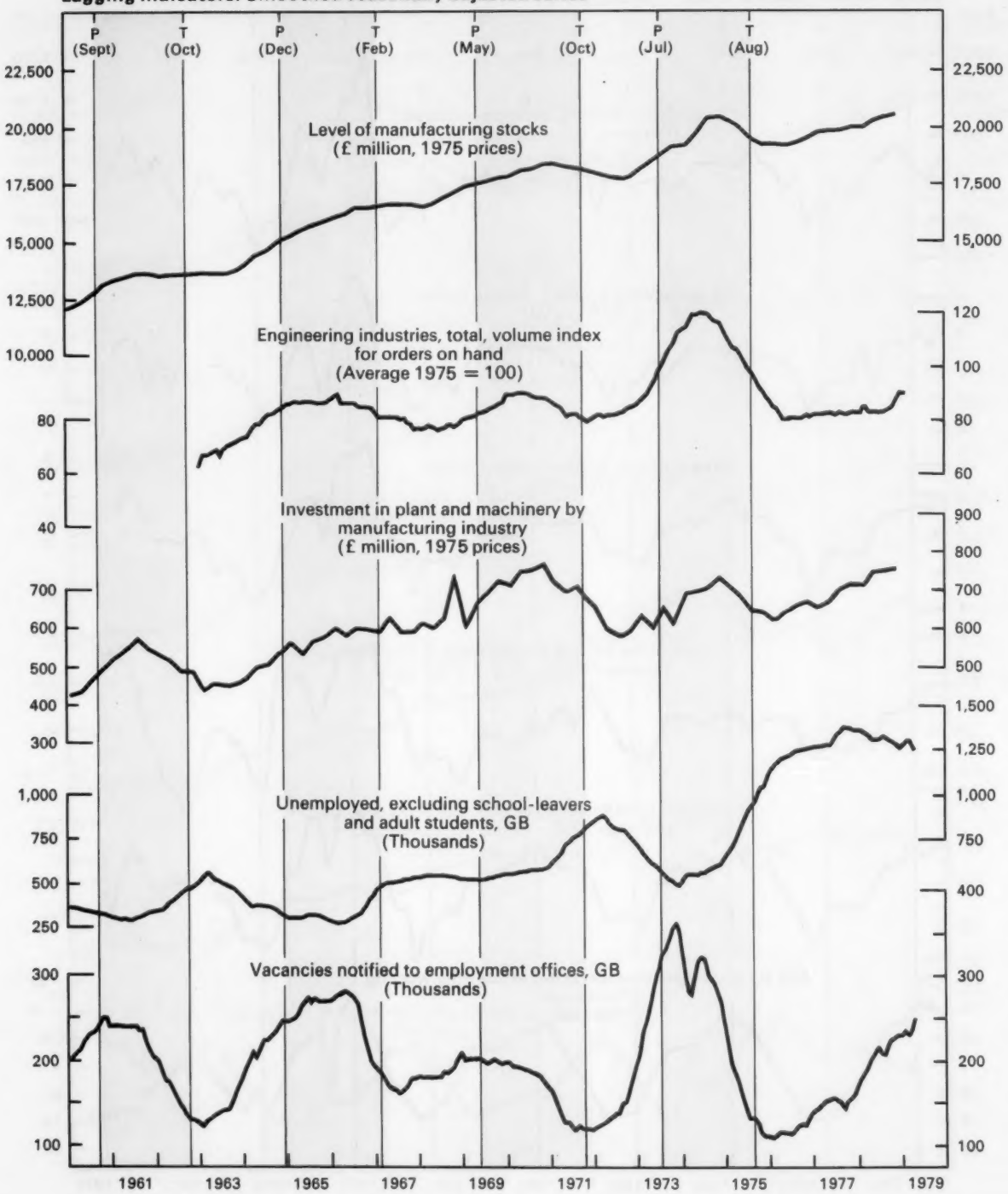
Cyclical indicators by timing classification

Coincident indicators. Smoothed trend-eliminated series



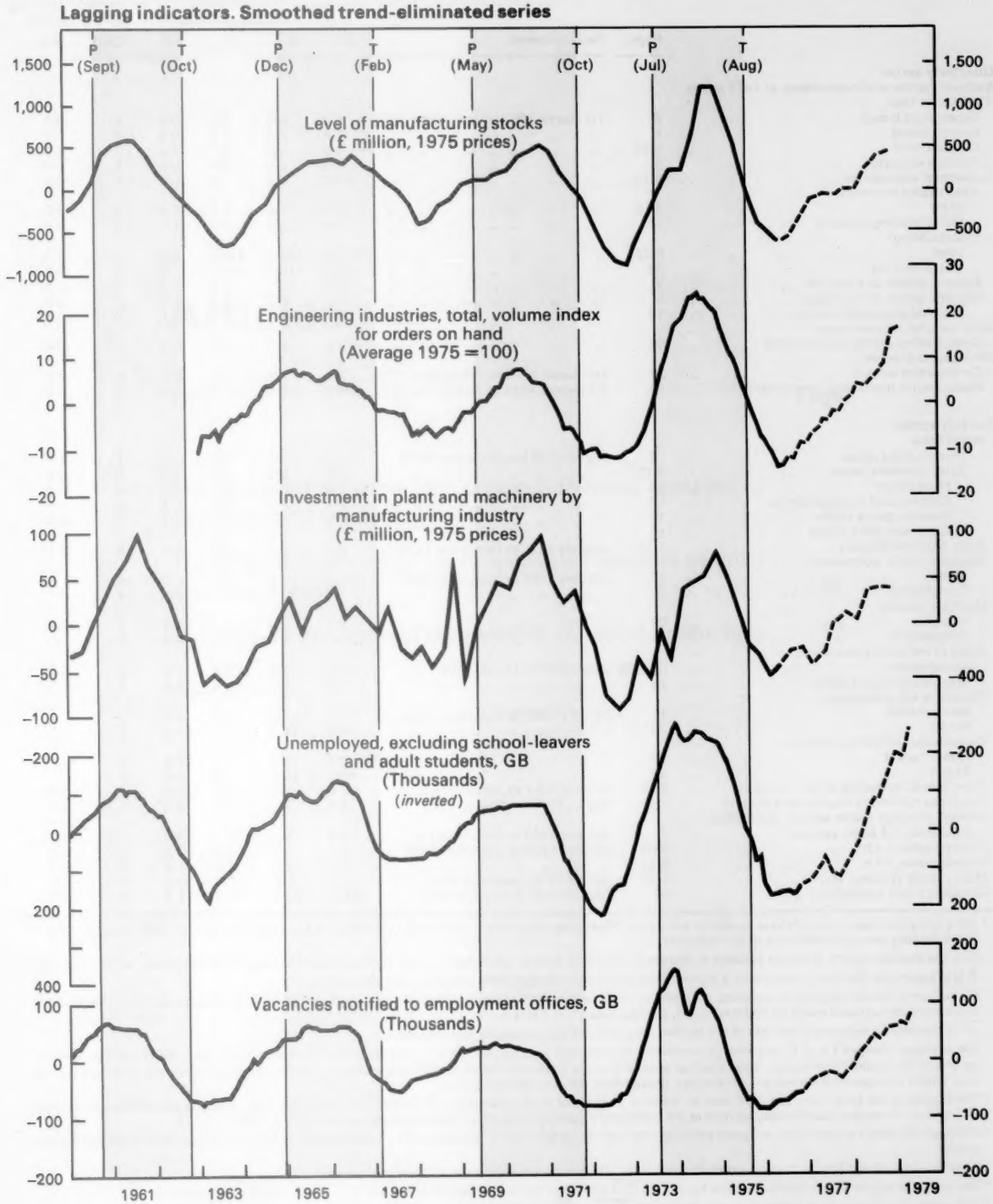
Cyclical indicators by timing classification

Lagging indicators. Smoothed seasonally adjusted series



Cyclical indicators by timing classification

Lagging indicators. Smoothed trend-eliminated series



Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1975 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1968 to 2nd quarter 1978	1·3	0·8	0·9	0·9	1	0·9
Income based	6	" " " " " " "	1·4	0·8	1·0	0·9	1	0·9
Output based	6,28	" " " " " " "	1·0	0·6	0·7	0·9	1	0·9
Average estimate	6	" " " " " " "	1·0	0·6	0·8	0·8	1	0·8
Consumers' expenditure	8,10	" " " " " " "	1·1	0·6	0·8	0·8	1	0·8
Fixed capital formation								
Total	8,16	" " " " " " "	2·0	1·6	0·9	1·9	2	0·9
Manufacturing industry	18	" " " " " " "	3·9	2·5	2·4	1·1	2	0·4
Stockbuilding[2]								
Total	8,22	" " " " " " "	*213·4*	*136·2*	*146·1*	0·9	1	0·9
Manufacturing	22	" " " " " " "	*172·4*	*118·2*	*102·9*	1·2	2	0·5
Exports: goods and services	8	" " " " " " "	3·0	2·2	1·9	1·2	2	0·5
Imports: goods and services	8	" " " " " " "	2·9	2·2	1·6	1·4	2	0·5
Personal disposable income	10	" " " " " " "	1·7	1·2	1·2	1·1	2	0·3
Other national income series								
Gross trading profits of companies	58	" " " " " " "	3·6	2·5	3·2	0·8	1	0·8
Other quarterly series								
Construction output	30	1st quarter 1955 to 2nd quarter 1978	2·2	1·3	1·5	0·9	1	0·9
Public sector borrowing requirement[6]	54	1st quarter 1971 to 2nd quarter 1977	*356·0*	*349·0*	*171·0*	2·0	2	0·2
Monthly series								
Retail sales								
Total: current prices	12	January 1961 to December 1978	1·0	0·6	0·7	0·9	1	0·9
Total: constant prices	5,12	" " " " "	0·7	0·6	0·3	2·5	3	0·9
Food shops	12	" " " " "	0·6	0·6	0·2	2·9	3	1·0
Clothing and footwear shops	12	" " " " "	2·1	2·0	0·4	5·4	6	0·9
Durable goods shops	12	" " " " "	1·9	1·6	0·7	2·2	3	0·8
Other non-food shops	12	" " " " "	1·1	1·0	0·3	2·8	3	0·9
Cars: new registrations	5,12	January 1971 to December 1978	8·1	7·8	1·7	4·6	5	1·0
Housing: public authorities[4]								
Starts	20	January 1956 to December 1978	11·6	11·3	1·7	6·5	6	
Completions	20	" " " " "	7·8	7·7	1·1	6·8	6	
Housing; private								
Starts	20	" " " " "	8·2	7·9	2·3	3·4	4	0·9
Completions	20	" " " " "	6·0	6·0	0·9	6·6	6	1·0
Index of industrial production:								
All industries	5,26,28	January 1973 to July 1978	0·9	0·8	0·4	1·9	3	0·9
Manufacturing industries	26	" " " " "	1·2	1·0	0·4	2·5	3	1·0
Passenger car production:								
Home market	32	January 1968 to December 1978	12·8	12·8	1·5	8·7	6	
Export	32	" " " " "	11·8	11·6	0·9	12·6	6	
Commercial vehicle production:								
Home market	32	" " " " "	9·5	9·2	1·5	6·0	6	
Export	32	" " " " "	10·4	10·2	1·5	7·0	6	
Unemployed excluding school-leavers[5]	5,36	January 1961 to January 1978	*13·5*	*4·5*	*12·2*	0·4	1	0·4
Vacancies notified to employment offices[5]	5,36	August 1960 to January 1978	*5·9*	*2·4*	*5·3*	0·5	1	0·5
Average earnings (older series): production industries and some services	40	January 1963 to December 1977	1·0	0·4	0·9	0·5	1	0·5
Exports: value, f.o.b.	5,46	January 1964 to December 1976	3·1	2·7	1·3	2·0	2	0·9
Imports: value, f.o.b.	5,46	" " " " "	2·9	2·6	1·4	1·9	2	0·9
Money stock (sterling M_3)[3]	5,50	July 1971 to December 1977	1·3	0·6	1·2	0·5	1	0·5
Domestic credit expansion[3]	52	July 1971 to September 1977	94·1	73·3	17·9	4·1	5	1·0

[1] For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No. 226, August 1972. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes [2], [3], [5] and [6].

$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

[6] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in units of £ million.

Articles

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The effects of rebasing the expenditure-based measure of gross domestic product

J. A. RUSHBROOK, Central Statistical Office

During 1978 the national accounts of the United Kingdom were rebased on the year 1975. The rebased estimates were first published in the Blue Book, *National Income and Expenditure 1967-77*. The estimates were previously based on the year 1970, the last estimates and commentary on this basis being published in *Economic Trends*, No. 297, July 1978. This article describes the effects of rebasing the expenditure-based estimate of gross domestic product at constant prices, GDP(E). Articles describing the effects of rebasing the output-based measure of gross domestic product (GDP(O)) and the index of industrial production are contained in this issue of *Economic Trends*. The third measure of gross domestic product at constant prices, the income-based measure (GDP(I)), is derived by deflating the sum of factor incomes at current prices by the implied deflator for GDP(E) at factor cost. Consequently the effects of rebasing on GDP(I) are proportionally identical to the effects on GDP(E).

Background

The theoretical background to, and the reasons for, rebasing were described in an article in the March 1978 issue of *Economic Trends**. As explained in that article, the base-year for GDP(E) at constant prices is the year in respect of which the detailed structure of prices is used to weight together changes in the volume of the many types of goods and services produced. The accounts need to be rebased from time-to-time, usually in practice once every five years, to ensure that the weights, or relative prices, underlying the measurement of changes in the volume of expenditure over a particular period should reflect the price structure of that period reasonably closely. In order to meet this requirement the constant-price series are re-weighted, at each rebasing, for only a limited number of years; and the re-weighted estimates for these years are linked to the existing estimates for earlier years. In the rebasing onto the year 1975 the estimates have been re-weighted according to average 1975 relative prices only for periods from 1973 onwards; proportional changes up to 1973 continue to be calculated according to the relative prices of earlier base years. The year 1973 was chosen as the link year on this occasion because around the end of that year there was a massive increase in world oil prices which led quickly to very substantial changes in the pattern of domestic prices. Thus the rebasing onto 1975 does not affect estimates of proportional changes in the volume of expenditure up to 1973; and the description of the effects of rebasing which follows covers the period 1973 to 1977, the latest complete year for which estimates at 1970 constant prices were compiled.

* 'Rebasing the national accounts—why and how and the effects,' *Economic Trends*, No. 293 March 1978 (HMSO).

The effects of rebasing

For most types of expenditure the normal expected effects of rebasing and re-weighting are to reduce slightly the estimated growth in volume. This is a reflection of price elasticities; the growth in demand is likely to be greatest for those goods and services whose unit prices have grown least. Thus on rebasing the relative weight given to those products for which the growth in demand has been greater than average will tend to be reduced; and the relative weight given to those products for which the growth in demand has been smaller than average will tend to be increased. Indeed, rebasing has reduced the estimated growth in the volume of domestic expenditure, more particularly consumers' expenditure, between 1973 and 1977. However, this has been more than offset by the effects of rebasing on imports and exports. Re-weighting to 1975 average prices has substantially reduced the estimated growth in the volume of imports between 1973 and 1977 and also increased the estimated growth in exports. The increase in the price of oil combined with the emergence of North Sea oil have played an important part in this result. The overall effect of rebasing has been to increase the growth in GDP(E) between 1973 and 1977 by about 1½ per cent.

The sections which follow describe in greater detail the effects of rebasing on each major component of GDP(E) and on GDP itself at market prices and at factor cost. Finally, the effects on some of the deflators are discussed.

It should be noted that the differences between the last estimates at 1970 prices published in the July 1978 issue of *Economic Trends* and the first estimates at 1975 prices published in the National Income and Expenditure Blue Book reflect revisions to basic estimates at current prices as well as the effects of rebasing. In the estimates that follow allowance is made for these revisions and, so far as possible, for changes in methodology introduced at the same time as rebasing.

Consumers' expenditure

The effects of rebasing on consumers' expenditure in total and on each of the main categories are shown in Table A.

Of all domestic expenditure, consumers' expenditure is the category where the spender has the greatest freedom of choice and where the pattern of purchases is most likely to be affected by variations in price structures. In consumers' expenditure in particular the growth in demand is likely to be greatest for those goods and services whose prices are growing least; or, reversing the cause and effect, growth in demand may reduce costs per unit through economy in mass production. Regardless of which is the cause and which is the effect, this relationship between prices and demand is probably the dominant influence in the consistent

Percentage increases in components of consumers' expenditure, 1973-77

TABLE A

	£ million	Percentage increase at 1970 prices			Percentage increase at 1975 prices		
	1975	1973–75	1975–77	1973–77	1973–75	1975–77	1973–77
Food	12,059	−0·6	−0·4	−1·0	−1·2	−0·1	−1·3
Beer	2,680	4·0	1·9	5·9	3·5	1·8	5·4
Other alcoholic drink	2,176	0·3	1·5	1·8	−0·5	1·5	1·0
Tobacco	2,748	−6·0	−8·1	−13·6	−5·8	−8·2	−13·5
Housing	9,237	2·4	4·5	7·1	1·9	3·7	5·7
Fuel and light	2,916	1·4	2·5	3·9	−0·5	1·6	1·2
Footwear and clothing	5,296	0·9	3·8	4·8	1·0	3·5	4·6
Cars and motor-cycles	1,816	−31·3	6·0	−27·2	−31·9	5·7	−28·0
Furniture and floor-coverings	1,420	−10·1	−5·8	−15·3	−10·1	−5·6	−15·1
Radio and electrical goods	1,548	−6·0	6·4	−0·4	−8·4	1·2	−7·3
Running costs of motor vehicles	3,872	−2·0	3·7	1·6	−2·7	3·5	0·7
Other goods[1]	6,421	−1·5	−4·5	−6·0	−3·0	−5·2	−8·0
Consumers' expenditure abroad	953	−8·4	−15·3	−22·6	−8·9	−16·3	−23·7
Other services[2]	11,417	−2·4	−0·7	−3·1	−4·1	−0·5	−4·5
Foreign visitors' expenditure[3]	1,367	15·7	33·1	54·0	21·2	38·7	68·1
Total consumers' expenditure	63,192	−2·5	−0·3	−2·8	−3·5	−0·7	−4·2

[1] Includes household goods (other than durables), books, magazines, and newspapers, chemists goods, recreational and other miscellaneous goods, and income in kind not included elsewhere.
[2] Includes travel and communications, entertainments and recreational services, domestic service, catering, insurance, and other miscellaneous services.
[3] Deducted in arriving at total consumers' expenditure by UK residents.

reduction in the estimated growth in the volume of consumers' expenditure on each occasion when the base year is updated. The rebasing onto 1975 has reduced the estimated growth in the total volume of consumers' expenditure between 1973 and 1977 (or increased its fall) by about 1½ percentage points. Nearly all of the separate categories of expenditure identified in Table A also show some reduction in growth on rebasing.

It should be noted that the effects of rebasing on each individual category is caused by changes between 1970 and 1975 in the relative prices of the goods and services contained within that category. It follows that the extent of the effect of rebasing on each group is influenced by the homogeneity of the goods and services contained within that group. It will be seen, for example, that the rebasing has had little effect on the relatively homogeneous groups such as beer, tobacco, footwear and clothing, cars and motor-cycles and furniture and floor coverings. The effects are much greater on the groups such as 'other goods' and 'other services' which are by definition heterogeneous.

Other categories of special interest are 'fuel and light' and 'running costs of motor vehicles'. Within the former category the greatest growth in demand has been for gas, whose relative price (in relation to other fuels) fell substantially between 1970 and 1975. Within the latter category the relative price of petrol and oil rose greatly between 1970 and 1975; the demand for these fuels fell between 1973 and 1975 but picked up thereafter as the relative price eased. Consequently the rebasing effect on 'running costs' is much greater between 1973 and 1975 than between 1975 and 1977. The effect of rebasing on 'radio and electrical goods' is perhaps surprising. Prices for the group as a whole rose less between 1970 and 1975 than the average prices of all consumer goods and services. But it is evident also that within the group the prices of goods for which there has been the greatest growth in demand, such as radio and television, rose less than other electrical goods.

The only item where the volume of expenditure shows an appreciably greater growth in terms of 1975 prices than in terms of 1970 prices is expenditure by foreign visitors. This is expenditure which is included indistinguishably in the preceding items shown in the table but which is deducted in total to arrive at the consumers' expenditure of UK residents. A contributory cause of this result may lie in the fact that expenditure by foreign visitors is deflated by a single base-weighted (Laspeyres) price index, thereby producing a current-weighted (Paasche) volume series. This is necessary because the detailed annual data required to compile a current-weighted price index – and thence the preferred base-weighted form of volume series – are not available. The price-elasticity effect in a rebased Laspeyres volume index, described above, is reversed in a rebased Paasche volume index – that is, there is a tendency for the estimated growth to increase slightly on rebasing. Any error due to use of the 'wrong' form of price index affects the estimates of total consumers' expenditure; but since the error is virtually offset in the travel component of exports of services, estimates of GDP are not affected.

In theory the changes in weights (the relative prices) within the categories identified in Table 1 contribute only part of the overall effect of rebasing on consumers' expenditure. Changes in the weights among identified categories can also have an effect; and the relative contributions of the 'within category' and 'among category' elements depend very largely on how narrowly or broadly the categories are defined. In practice the changes in weights within categories account for virtually the whole of the overall effect of rebasing on consumers' expenditure; the net effect of changes in weights among categories is negligible.

General government consumption

Rebasing does not have a marked overall effect on movements in the volume of general government consumption between 1973 and 1977. However, there is a perceptible

Percentage increases in components of general government consumption, 1975-77

TABLE B

Expenditure on goods and services:	£ million	Percentage increase at 1970 prices			Percentage increase at 1975 prices		
	1975	1973–75	1975–77	1973–77	1973–75	1975–77	1973–77
Military defence	5,082	*−1·4*	*0·4*	*−1·1*	*−0·6*	*−0·4*	*−1·0*
National Health Service	4,786	*10·9*	*3·4*	*14·7*	*12·2*	*3·6*	*16·2*
Education	4,871	*6·1*	*4·1*	*10·4*	*6·2*	*4·0*	*10·5*
Other	7,491	*11·7*	*−0·6*	*11·0*	*11·2*	*−0·3*	*10·9*
Total general government consumption[1]	22,930	*6·7*	*1·6*	*8·4*	*7·0*	*1·7*	*8·8*

[1] Including non-trading capital consumption.

difference between the total effects over the periods 1973 to 1975 and 1975 to 1977 which is more pronounced in some of the main components. The effects are shown in Table B.

General government consumption is a unique category of domestic expenditure. Central government and local authorities may be regarded as collective bodies providing free public services for collective consumption by the public. Since the services are not sold they can be valued only through the money spent on wages and salaries of employees and on the materials and services purchased from other sectors. Similarly the volume of the services provided through government consumption has to be measured through the volume (or deflated value) of inputs. Nearly two thirds of these inputs are made up of incomes from employment of employees. Since there is no way of measuring the real value of services provided to the community, no allowance can be made for changes in the productivity of general government employees. Consequently one of the major elements of the base-year weights in the volume of general government consumption is the average employment income of government employees. Between 1970 and 1975 the average earnings of government employees, like employees of other sectors, rose by more than the prices of purchased goods and services. Payments to employees have therefore a greater weight in general government consumption on a 1975 base than on a 1970 base. This feature, coupled with the fact that there was a relative increase in the employment component of government consumption between 1973 and 1975 and a relative decrease between 1975 and 1977, may have contributed to the results shown in Table B.

Gross domestic fixed capital formation

Rebasing had the effect of reducing the fall in the volume of gross domestic fixed capital formation between 1973 and 1975 by about 2 per cent; but it had little overall effect on the change between 1975 and 1977. The effects on the main industry groups and types of assets are shown in Table C.

Percentage increases in components of gross domestic fixed capital formation, 1973-77

TABLE C

	£ million	Percentage increase at 1970 prices			Percentage increase at 1975 prices		
	1975	1973–75	1975–77	1973–77	1973–75	1975–77	1973–77
Industries							
Petroleum and natural gas	1,621	*428*	*5*	*454*	*435*	*4*	*455*
Other mining and quarrying	201	*32*	*46*	*92*	*34*	*52*	*104*
Manufacturing	3,522	*−3*	*2*	*−1*	*1*	*1*	*2*
Gas, electricity and water	1,242	*1*	*−20*	*−20*	*4*	*−19*	*−16*
Transport and communications	2,329	*−15*	*−19*	*−31*	*−14*	*−17*	*−28*
Distributive trades	1,035	*−16*	*13*	*− 5*	*−13*	*8*	*−6*
Other industries	3,092	*−19*	*9*	*−12*	*−19*	*10*	*−12*
Dwellings	4,163	*−3*	*−12*	*−15*	*−3*	*−12*	*−15*
Public services	2,987	*−21*	*−19*	*−36*	*−22*	*−19*	*−37*
Types of asset							
Vehicles, ships and aircraft	2,017	*−17*	*1*	*−16*	*−16*	*4*	*−13*
Plant and machinery	6,890	*−3*	*1*	*−2*	*2*	*2*	*4*
Private dwellings	2,196	*−12*	*−17*	*−27*	*−12*	*−17*	*−27*
Public dwellings	1,967	*10*	*−7*	*2*	*10*	*−7*	*2*
Other new buildings and works[1]	7,747	*−5*	*−10*	*−15*	*−5*	*−10*	*−15*
Total gross domestic fixed capital formation[1]	20,817	*−5·8*	*−5·0*	*−10·5*	*−3·7*	*−5·2*	*−8·7*

[1] Including transfer costs of land and buildings.

Before rebasing, estimates of fixed investment in works and buildings at constant 1970 prices had been revised, using as deflators five new series of construction output price index numbers developed by the Department of the Environment. When the national accounts were rebased on 1975 each of the five series were simply re-referenced to 1975 = 100 without re-weighting. Consequently the 'works and buildings' components of gross domestic fixed capital formation have not yet been fully rebased.

Of the other asset components both 'plant and machinery' and 'vehicles, ships and aircraft' show a greater growth (or smaller fall) at 1975 prices than at 1970 prices. The behaviour of the series between 1975 and 1977 demonstrates the effect of changes in the weights among identified categories. Although 'plant and machinery' and 'vehicles, ships and aircraft' each show a significantly greater growth at 1975 prices over this period and the other asset categories showed no change on conversion to 1975 prices (having been simply rescaled), the rebasing effect on fixed investment as a whole is negligible. This is because between 1970 and 1975 prices of dwellings and other new buildings and works rose substantially more than prices of plant and machinery and vehicles, ships and aircraft. Consequently on rebasing the fall in investment in the former categories is given a greater weight and the rise in the latter categories is given a smaller weight. This apparent discrepancy between the movements in the individual categories and in fixed investment as a whole is not so apparent in the disaggregation by industry; the investment by each industry is itself a mix of different types of assets.

Stockbuilding

The assessment of the effects of rebasing on changes in the volume of stocks presents special difficulties. In the first place there is no unique way of allowing for revisions to basic estimates at current prices. Paradoxically, estimates of the physical changes in stocks at current prices are themselves affected by rebasing. This is because newly-weighted prices are used to disaggregate changes in book value into the 'physical change' and 'stock appreciation' components. For the categories 'manufacturing' and 'other industries' the method chosen to allow for current price revisions unconnected with rebasing has therefore been to multiply July 1978 estimates of the end-year level of stocks at 1970 prices by the ratio post-revision estimates of end-year book value/pre-revision estimates of end-year book value. The estimates of changes in stocks in retail and wholesale distribution have not yet been rebased since the detailed data required to do so were not available at the time of the preparation of the National Income and Expenditure Blue Book. Consequently for these categories it is not necessary to calculate the effects of revisions.

A second difficulty is that the effect of rebasing cannot meaningfully be expressed in proportional terms since stock changes in any period are differences between two large totals – and the changes can sometimes be negative. The effects can therefore only be expressed in absolute terms – £ million at 1970 prices or 1975 prices. Whichever is chosen, there needs to be some rescaling conversion between 1970 and 1975 prices. Again there is no unique method. The rescaling assumption made here is that in each of the four categories of stocks (manufacturing, retail, wholesale, other industries)

$$\frac{\text{Change at 1975 prices}}{\text{Change at 1970 prices}} = \frac{\text{Book value end-1974 + book value end-1975}}{\text{1970 price value end-1974 + 1970 price value end-1975}}$$

A third difficulty is that the rebasing of stocks in manufacturing industries by the Department of Industry was accompanied by the introduction of new methodology, and it has not been possible so far for the Department of Industry to differentiate between the rebasing effect and the change in methodology effect.

Subject to all these reservations it is estimated that the effects of rebasing so far carried through together with the effects of new methodology on manufacturing stocks have been to add about £550 million at constant 1975 prices to the estimate of stock changes in 1973 and to reduce the corresponding figure for 1977 by about £150 million. This is equivalent to reducing the growth in GDP at constant prices by about ½ per cent between 1973 and 1975 and by less than ¼ per cent between 1975 and 1977.

In view of all the difficulties in assessing the effects of rebasing on stocks, the effects of rebasing on gross domestic product as a whole have been assessed including and excluding the stocks element.

Imports and exports of goods and services

The overall effect of rebasing has been to reduce the growth in imports throughout the period 1973 to 1977. Rebasing has had little overall effect on exports of goods and services over the years 1973 to 1975; but it has increased growth in 1975 to 1977. Changes in the main components are shown in Table D.

The detailed effect of rebasing on imports and exports of goods will be described in due course in an article prepared by the Departments of Industry and Trade. Commentary in the present article is confined to an assessment of the effects of the revaluation of oil. Between 1970 and 1975 the relative prices of fuel imported and exported rose about 2¼-fold. That is, the rise in the prices of fuel imported and exported was 2¼ times as great as the overall rise in the prices of all other goods in overseas trade. Throughout the period 1973 to 1977 the volume of imports of fuels was declining; and this decline has a greater weight measured at 1975 prices than at 1970 prices. This combination of changes in price and changes in volume of imported fuel had the effect on rebasing of increasing the fall in total imports between 1973 and 1975 by nearly 2½ per cent and of reducing the increase in total imports between 1975 and 1977 by nearly 4 per cent. It should be noted that the contribution to the reduction in imports between 1973 and 1975 did not carry through to gross domestic product. Over this period virtually all oil consumed in the UK was imported and the rebasing effect on imports is counter-balanced by the effect on domestic expenditure. Between 1975 and 1977, however, there was little change in domestic consumption of oil and the reduction in imports was balanced by an increase in the production of North Sea oil for domestic consumption. Consequently the contribution of fuel to the reduction on rebasing in the growth in imports between 1975 and 1977 is not offset in the rebasing effects on domestic expenditure; it carries through as a contribution to additional growth in GDP over the period.

Percentage increases in components of imports and exports of goods and services, 1973-77

TABLE D

	£ million	Percentage increase at 1970 prices			Percentage increase at 1975 prices		
	1975	1973–75	1975–77	1973–77	1973–75	1975–77	1973–77
Imports							
Goods	22,699	−5·3	13·2	7·2	−8·0	7·1	−1·5
Services:							
Government	759	10	−6	3	10	−6	3
Shipping –							
dry cargo	1,337	−11	4	−7	−10	2	−8
tanker	1,266	−16	−19	−31	−19	−21	−36
Travel	878	−10	−8	−17	−10	−10	−19
Civil aviation	664	6	15	22	6	16	23
Other services	1,425	32	−6	23	40	−7	31
All services	6,329	−2·5	−5·7	−8·1	−0·5	−5·7	−6·2
All goods and services	29,028	−4·6	8·5	3·5	−6·5	4·3	−2·5
Exports							
Goods	19,463	3·1	17·8	21·5	2·2	18·9	21·6
Services:							
Government	139	−10	28	15	−10	28	15
Shipping –							
dry cargo	1,503	1	2	3	−3	4	1
tanker	1,156	−17	−22	−35	−12	−24	−33
Travel	1,123	16	37	59	22	43	75
Civil aviation	780	14	14	31	14	15	31
Financial services	1,014	28	4	33	29	—	30
Other services	1,765	5	17	23	3	17	21
All services	7,480	3·0	7·1	10·3	5·3	9·7	15·5
All goods and services	26,943	3·2	14·6	18·2	3·0	16·4	19·9

Also between 1975 and 1977 there was a substantial increase in exports of fuels – mainly North Sea oil. The effect of rebasing on this element was to increase the rise in the total volume of exports by about 1 per cent.

Rebasing reduced the fall in imports of services between 1973 and 1975 but had little overall effect between 1975 and 1977. The main effects in the earlier period came in 'other services'.

Rebasing increased the growth in exports of services throughout the period. The main contribution came from the 'travel' item, a similar result to that observed in the 'foreign visitors' expenditure' adjustment to consumers' expenditure.

Adjustment to factor cost

The purpose of this adjustment is to convert estimates of gross domestic product at market prices to a factor cost basis. Taxes on expenditure, which contribute to the market price of the goods and services on which final expenditure is incurred, are deducted; and subsidies, which reduce the price of goods and services below the cost of production, are added. In estimating the adjustment to factor cost at constant prices the aim is to deduct taxes on expenditure and add subsidies at the rates applicable in the base year. On rebasing, the adjustment to factor cost may be affected not only by changes in these rates but by changes in the basic structure of taxes and subsidies. There were, in fact, quite major changes in the structure between 1970 and 1975. Within taxes on expenditure Purchase Tax was abolished and replaced by Value Added Tax; and within subsidies there were considerable changes in the structure of agricultural subsidies on joining EEC. In view of these structural changes it would not be surprising if the path of the adjustment to factor cost at constant prices also changed substantially on rebasing. In practice the movements in taxes on expenditure have changed very little on rebasing; but there have been some substantial changes to the path of subsidies. The effects of rebasing are summarised in Table E.

The 1975-based estimates for subsidies move in a substantially different way from the 1970-based series over the period 1973 to 1977. Over 1973-75 the 1975-based series increases more quickly, whereas over 1975-77 it increases more slowly. The contrasting movements on a 1975 base are due in part to the operation of the EEC Common Agricultural Policy (CAP). Market support under CAP led to a rapid rise in imports of certain basic foodstuffs from the EEC in the period 1973-75. These foodstuffs being relatively inelastic in their total demand, imports were switched from third countries to the EEC, thereby attracting a higher subsidy. Since the switch was virtually complete by 1975 the increase in subsidies did not continue in the period 1975-77.

Effects of rebasing on gross domestic product

The effects of rebasing on each of the main components of gross domestic product are summarised and brought to a total in Table 1 of the Appendix. The effects on GDP at factor cost are summarised in Table F.

Percentage increases in adjustment to factor cost, 1973-77

TABLE E

	£ million	Percentage increase at 1970 prices			Percentage increase at 1975 prices		
	1975	1973–75	1975–77	1973–77	1973–75	1975–77	1973–77
Taxes on expenditure[1]	14,162	−2·5	2·3	−0·2	−2·5	2·5	−0·1
Subsidies[2]	3,740	−1·6	0·9	−0·7	3·9	−0·5	3·4
Adjustment to factor cost[1]	10,422	−2·6	2·5	−0·2	−4·7	3·6	−1·2

[1] Deducted to convert GDP at market prices to GDP at factor cost.
[2] Added to convert GDP at market prices to GDP at factor cost.

Percentage growth in GDP at factor cost 1973-77

TABLE F

	1973–75	1975–77	1973–77
Total			
At 1970 prices	−4·0	+4·3	+0·2
At 1975 prices	−3·3	+5·0	+1·5
Rebasing effect	+0·7	+0·7	+1·3
Total *less* stock changes			
At 1970 prices	+1·1	+0·6	+1·8
At 1975 prices	+1·8	+1·7	+3·6
Rebasing effect	+0·7	+1·1	+1·8

It is evident that rebasing has increased the estimated growth in the volume of gross domestic product in both the periods 1973 to 1975 and 1975 to 1977. The additional growth over the four years was about 1½ per cent. Allowing for the uncertainty in the stocks estimates it is likely that this additional growth was rather larger between 1975 and 1977 than between 1973 and 1975.

Rebasing reduced the estimated growth in domestic expenditure at constant market prices, most of the reduction coming in consumers' expenditure; but the revaluing of imports and exports of goods and services to 1975 prices added about 2 per cent to the growth in GDP between 1973 and 1977. A summary of the contribution of the main components to the overall effect of rebasing on GDP is given in Table G.

Contributions to total effects of rebasing, 1973-77

TABLE G

	Percentage of GDP at 1975 factor cost
Total effect (GDP at factor cost)	+1·3
Consumers' expenditure	−0·9
General government final consumption	+0·1
Gross domestic fixed capital formation	+0·4
Stock changes	−0·7
Exports of goods and services	+0·4
Imports of goods and services	+1·7
Adjustment to factor cost	+0·1
Re-weighting among components	+0·1

On this occasion the effects of rebasing on the growth in GDP(E) were much greater than the effects of revisions and identified effects of new methodology. This also applied to each of the main components except general governmen final consumption where rebasing increased growth between 1973 and 1977 by about ½ per cent whereas revisions and introduction of new methodology reduced growth by about 2 per cent. The effects of rebasing are compared with the effects of revisions and new methodology in Table 2 of the Appendix.

The effects of rebasing on implied deflators

Since rebasing affects the estimated growth in volumes it follows that the implied deflators are also affected; and the effect on the deflators is opposite in direction to the effect on volumes. The changes in two of the main deflators derived from the national accounts, the index of total home costs and the consumers' expenditure deflator are shown in Table H.

Implied deflators

TABLE H

	1975 =100		
	1973	1975	1977
Index of total home costs			
From 1970-base, rescaled	66·5	100	127·9
From 1975-base	66·8	100	127·0
Consumers' expenditure deflator			
From 1970-base, rescaled	69·7	100	132·6
From 1975-base	69·0	100	133·2

Because prices rose between 1973 and 1977 very much faster than the volumes of expenditure the effects of rebasing on the implied deflators is relatively much smaller than the effect on the volume of expenditure. The effects have been slightly to reduce the growth in the index of total home costs between 1973 and 1977 and slightly to increase the growth in the consumers' expenditure deflator over these years.

Summary and conclusion

It is estimated that reweighting the expenditure-based estimates of gross domestic product on average 1975 prices has increased the estimated growth in GDP at constant factor cost between 1973 and 1977 by about 1½ per cent. It is likely that the effect was rather larger between 1975 and 1977 than between 1973 and 1975. The greatest single

factor in this overall result was the revaluation of imports to average 1975 prices which reduced the estimated growth in the volume of imports over the four years by about 6 per cent, thereby adding about 1¾ per cent to growth in GDP.

Rebasing is not yet fully complete. Retail and wholesale stocks have still to be rebased on 1975 prices and it is proposed to re-examine the weights for 1975 when work on compiling input-output tables for 1975 has been completed. However, it does not seem likely that these further developments will materially affect the conclusions already reached.

It is intended that the next rebasing will be carried out in 1983 and that the new base-year will be 1980.

APPENDIX

Percentage increases in components of gross domestic product at constant factor cost, 1973-77

TABLE 1

	£ million	Percentage increase at 1970 prices			Percentage increase at 1975 prices		
	1975	1973–75	1975–77	1975–77	1973–75	1975–77	1973–77
Consumers' expenditure	63,192	*−2·5*	*−0·3*	*−2·8*	*−3·5*	*−0·7*	*−4·2*
General government final consumption	22,930	*6·7*	*1·6*	*8·4*	*7·0*	*1·7*	*8·8*
Gross domestic fixed capital formation	20,817	*−5·7*	*−5·0*	*−10·4*	*−3·7*	*−5·2*	*−8·7*
Total domestic expenditure	105,014	*−5·5*	*2·3*	*−3·3*	*−5·8*	*1·7*	*−4·2*
Exports of goods and services	26,943	*3·2*	*14·6*	*18·2*	*3·0*	*16·4*	*19·9*
Total final expenditure	131,957	*−3·8*	*4·9*	*0·8*	*−4·1*	*4·7*	*0·4*
Imports of goods and services	29,028	*−4·6*	*8·5*	*3·5*	*−6·5*	*4·3*	*−2·5*
GDP at market prices	102,929	*−3·7*	*4·0*	*0·2*	*−3·5*	*4·8*	*1·2*
Adjustment to factor cost	10,422	*−2·6*	*2·5*	*−0·2*	*−4·7*	*3·6*	*−1·2*
GDP at factor cost	92,507	*−4·0*	*4·3*	*0·2*	*−3·3*	*5·0*	*1·5*
GDP at factor cost *less* stock changes	94,432	*1·1*	*0·6*	*1·8*	*1·8*	*1·7*	*3·6*

Effects of rebasing compared with revisions and new methodology

TABLE 2

	Percentage changes 1973–77 at 1970 prices (July 1978 *Economic Trends*)	Percentage points		Percentage changes 1973–77 at 1975 prices NIBB 1978
		Effects of revisions and new methodology	Effects of rebasing	
Consumers' expenditure	−2·8	—	−1·4	−4·2
General government final consumption	+10·3	−1·9	+0·4	+8·8
Gross domestic fixed capital formation	−11·2	+0·7	+1·8	−8·7
Total domestic expenditure	−3·5	+0·2	−0·9	−4·2
Exports of goods and services	+18·3	−0·1	+1·7	+19·9
Total final expenditure	+0·7	+0·1	−0·4	+0·4
Imports of goods and services	+3·2	+0·3	−6·0	−2·5
GDP at market prices	+0·1	+0·1	+1·0	+1·2
Adjustment to factor cost	−0·5	+0·3	−1·0	−1·2
GDP at factor cost	+0·2	—	+1·3	+1·5
GDP at factor cost *less* stock changes	+2·1	−0·3	+1·8	+3·6

The rebased estimates of the output-based measure of gross domestic product

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I. INTRODUCTION

The output-based measure of gross domestic product, GDP(O), is calculated by combining indices of the output of individual industries valued at the prices of a base year, with weights proportional to the contribution of each industry to gross domestic product at factor cost in the base year. In line with the rest of national accounts, the base year for GDP(O) was changed from 1970 to 1975 with the publication of *National Income and Expenditure 1967–77* (the Blue Book) in the autumn of 1978. For GDP(O) 'rebasing' involves the recalculation of the weight for the new base year, in this case 1975. The new weights will differ from the old (1970) weights, reflecting changes in the relative importance of the particular industries, and also changes in the relative prices of the industry contribution to the GDP or value added. This article describes the effect of the rebasing, and changes to methodology and indicators made at the time, on growth patterns.

Ideally, the indicators used to compile the output estimate would be perfect measures of the value added, or net output, of each industry expressed in the prices of the base year, and any need to rebase the index would arise only from changes in relative prices. Inevitably however, the output estimates have to rely on less than perfect indicators. So, as well as introducing a more up-to-date structure of relative prices and output, rebasing also provides an opportunity to review comprehensively and, where necessary, to introduce improvements to methodology and indicators. As far as possible, the effects resulting from this review have been separated from the effects of the new weights in the discussion below. This discussion relates to the period 1973 to 1977 for, in line with the rest of national accounts, the new weighting pattern adopted in the 1975-based series is not felt to be applicable before 1973. In this case the pricing structure for 1975, which reflects the system after the large oil price changes, would not be appropriate to measure movements in output between 1968 and 1973. The growth patterns displayed by the 1970-based series for years prior to 1973 have therefore been preserved. The time series for the components and total GDP(O) have been compiled by linking the old index numbers (1970 = 100) using 1973 annual values to the 1975 = 100 series compiled for 1973 and later. As a result of following this procedure the estimates for years prior to 1973 for total GDP cannot be derived from the components using the latest weights.

There is no distinction in principle in the approach adopted to rebasing for industries covered by the index of industrial production and those outside the production sector. There are, however, different practical problems and the detailed examination of the changes and effects of rebasing in the production sector is dealt with in another article in this issue by D.C.K. Stirling[1]. The purpose of this article is to explain how the current rebasing exercise was accomplished and what major changes to methodology and indicators were made at the time. The effect these two changes have on the estimates of growth are then discussed. In the first section the derivation of the weights is described and the main changes between the old and new weights are explained. In the second section there is a description of why the indicators are updated and what major changes were made in this year's Blue Book. The next section deals with the effects of these two changes on the growth patterns shown in the old (1970 = 100) series and the present (1975 = 100) series. Finally, there is a summary and tables comparing the 1970 and 1975 weights and showing the latest GDP(O) estimates consistent with the 1978 issue of the Blue Book. (The 1970-based index is described in *The Measurement of Changes in Production*[2]. A list of the weights and indicators used in the 1975-based index is available on request from the Central Statistical Office as an Occasional Paper[3]. A full description of the compilation of the 1975-based index will be made available in due course.)

II. THE DERIVATION OF THE WEIGHTS

In most cases weights are required for the components of GDP(O) at at least Minimum List Heading (MLH) of the 1968 Standard Industrial Classification (SIC) to correspond with individual indicators. The weights should reflect the 'value added' of that particular industry, that is the contribution that the industry makes to the economic wealth, or gross domestic product of the country. The totals to which groups of weights are constrained are derived from Tables 1.10 and 3.1 in the Blue Book, which provide current price net output figures by major industrial categories by the factor incomes approach. The figures in these tables are derived by summing income from employment or income from self-employment, company profits, public sector trading incomes and rent for individual industries, and so provide value added estimates which are conceptually identical to gross output *less* purchases from outside the industry. As only 1975 information is required, no deflation is necessary.

The data for the total weights for the broad industrial categories published in the Blue Book are provided by the Board of Inland Revenue in the form of aggregated tax assessments classified by the Standard Trade Classification (STC) headings. The data on wages and salaries and profits, adjusted for stock appreciation and supplemented by estimates of public sector trading incomes, are allocated to the broad industrial categories. For the purposes of calculating output weights it is necessary to make some broad adjustments where there are particular problems in converting from STC to SIC. (For example, the STC category for Holding Companies include in their wages a large amount that more properly makes up part of the value added of their subsidiaries classified outside the financial sector. A broadly estimated £250 million is transferred from the Insurance, Banking, Finance and Business Services to Manufacturing to allow for this.) The weights for industries outside the production sector were derived at MLH level using tax data

and some supplementary information, such as the results of a sample exercise conducted to produce MLH totals. At this lower level of industrial breakdown many more adjustments were necessary because of the greater problems of matching classification headings at this level. (One such change, allocating part of STC heading 'Brokers' to advertising, largely accounts for the weights of MLH 864 Advertising and Market Research being raised from the 0·1 parts per thousand used in the 1970-based index to 1·3 parts per thousand in the 1975-based series.)

To disaggregate the estimated MLH value added totals further to component activity levels required the use of a wide range of additional *ad hoc* information. At this level, the emphasis is on obtaining weights appropriate to the indicator that is to be used. Some of the indicators are not exclusive, covering different aspects of the same activity (in particular within the banking sector), though other weights are much more straightforward (such as those used for British Rail whose related revenue and costs can be identified for all the indicators used in the assessment).

One of the advantages of rebasing on a year as distant as 1975 is that the underlying information required to compile the weights should all be available and relatively stable, but nonetheless, revisions may still occur. The weights for any base year represent the best identification of activities possible at the time. The two most noticeable changes in the weights between 1970 and 1975-based series are the fall in importance of Manufacturing (from 33 per cent to 28 per cent) and a large rise in the weight of Professional and Scientific Services (from 10 per cent to 13 per cent). The latter change reflects a considerable rise in the weight attributed to Education, in particular. The 1970-based weights and 1975-based weights are shown in Table 1 of the Appendix.

III. THE INDICATORS

Improvements to indicators can be and have been made at any time, but rebasing provides a useful opportunity to review systematically the appropriateness of the indicators currently used. Only one change was made at rebasing that was projected back prior to 1973; the rest were confined to the current period from 1973. That one longer change, the revamping of the employment measure of local government services excluding police and firemen, was made to both the 1970 and 1975-based indices to bring the output indicator better in line with the expenditure approach to GDP for the whole period back to 1968. Before the rebasing exercise there were several indicators that were felt to be out of date or which were no longer sufficiently timely and, wherever possible, substitute series have been developed in these cases. Furthermore, the level of detail measured has been increased to reduce the size of some of the large residual categories for which no specific indicators were available. The most general change that was made is the introduction of data derived from the administration of Value Added Tax (VAT). This information gives assessments of current price turnover for all businesses making value added tax returns. The assessments are reasonably comprehensive and have enabled the better understanding and measurement of areas such as Miscellaneous Transport, Entertainment and Accountancy. The information is available quarterly and its introduction will improve the assessment of the quarterly path of GDP(O). It is still the case, however, that in the service sector many detailed indicators are available only annually, rather than quarterly.

One form of indicator on which it is hoped to place less reliance in the future is employment. In the 1970-based index some 30 per cent of GDP outside industrial production was measured by employment and though the major areas, such as the public services, have independent detailed data, the rest were much reliant on the Annual Census of Employment. In recent years this Census has not been available to meet Blue Book timetables. Also, employment may be a poor indicator of output. Data derived from the administration of VAT are being introduced in place of some employment indicators.

The other major feature of rebasing was a review of the assessment for banking and other financial institutions which led to the introduction of a range of new indicators. A detailed description of the derivation of the new weights and indicators for this Order is available in an Occasional Paper[4] from the Central Statistical Office. A brief outline is given in the detailed industry comments below.

IV. EFFECTS OF REBASING ON GROWTH BETWEEN 1973 AND 1977

As has already been described, changes made at the time of the rebasing exercise encompass two types of change: the changes in the new weights and the changes in the new indicators. In an attempt to identify separately the effects of these changes a special analysis has been made using the old indicators, updated to 1977 where necessary, combined with the new, 1975-based, weights. For some series, for example the distributive trades, this analysis has not been possible. Table A shows roughly the impact of the two types of change. Any such analysis relies on various assumptions and had it been possible to combine the new indicators with the old weights, slightly different results would have been obtained.

The major changes made and the detailed effects of rebasing are discussed below. A table showing the latest estimates on the basis 1975 = 100 is given in Table 2 of the Appendix.

Agriculture, forestry and fishing

The use of 1975 weights for Agricultural output has considerably changed the pattern of growth between 1973 and 1977. On the old basis output was flat up to 1975 and then fell considerably in 1976, not fully recovering by the next year. The current index shows a large fall between 1973 and 1975 continuing the following year and then recovering completely so that 1977 output is 1½ per cent higher than in 1973. Agriculture reflects the theoretical effect of rebasing for, using 1975 relative prices, products such as potatoes which were affected by the dry summer have high prices and acquire greater importance in the new constant price series. 1976 proved to be an even drier summer but the return to normality in 1977 prompted good crops and a record annual output increase of 20 per cent. Thus the decline between the two base years is increased and the growth subsequent to the new base year increased.

Effect of rebasing on growth 1973-77

TABLE A

	Percentage growth 1973-77			Effect of rebasing on percentage growth 1973-77		
	Updated[1] 1970-based series	Series using old indicators and 1975-based weights	Current[2] 1975-based series	Effect of weights	Effect of indicators	Total effect
	A	B	C	B–A	C–B	C–A
Agriculture, forestry and fishing	− 5·47	+ 0·70	+ 0·35	+ 6·17	−0·35	+ 5·82
Industrial production[3]	− 6·70	− 4·10	− 3·08	+ 2·60	+1·02	+ 3·62
Transport	− 1·50	− 2·76	− 3·59	− 1·26	−0·83	− 2·09
Communication	+24·99	+ 8·73	+ 3·66	−16·26	−5·07	−21·33
Distribution	− 4·65	..	− 5·96	..	..	− 1·31
Insurance, banking, finance and business services	+16·99	+10·05	+ 9·19	− 6·94	−0·86	− 7·80
Adjustment for financial services	+13·13	+ 9·72	+ 7·50	− 3·41	−2·22	− 5·63
Professional and scientific services	+12·43	+14·01	+13·97	+ 1·58	−0·04	+ 1·54
Miscellaneous services	+ 0·60	− 0·69	+ 2·65	− 1·29	+3·34	+ 2·05
Public administration and defence	+ 3·17	+ 4·59	+ 5·37	+ 1·42	+0·78	+ 2·20
Ownership of dwellings	+ 8·71	+ 7·65	+ 7·65	− 1·06	—	− 1·06
GDP(O) Total	− 0·14	+ 0·41	+ 0·94	+ 0·55	+0·53	+ 1·08

[1] Including new local government figures.
[2] Data consistent with Blue Book 1978 issue
[3] After stock adjustment.

.. not available.

Rebasing had a similarly large effect on Fishing where the new weights give a greater importance to the falling catch of cod and herring, which had been affected by the cod war and international restrictions. By separating pelagic fish into herring, mackerel and other, the indicators reveal the considerable decline of the herring catch being matched by a meteoric rise in the mackerel catch from 21,000 tonnes in 1973 to 321,000 tonnes in 1978. The relative price has changed accordingly, and mackerel is now cheaper; if the split had been applied to the 1970-based series without reweighting, total fishing output would have been raised, not lowered, in 1977 by 4 per cent.

Transport and communication

The main changes in transport output took place for MLHs 706 and 709, Ports and Inland Waterways and Miscellaneous Transport. The whole of the ports activity is measured by the weight of goods passing through the ports. Oil movements are separately measured because of the much lower value added attached to a tonne of oil passing through the ports. Annually it is possible to measure special traffic as well, that is such items as supplies to oil rigs, sand and gravel dredged, as well as fishing.

These new indicators show a fall of 7 per cent in output between 1973 and 1977. Quarterly turnover data based on the Value Added Tax returns has been introduced to measure the miscellaneous transport output, replacing employment. For transport as a whole rebasing has increased the estimated fall in output between 1973 and 1977 from 1 to 3½ per cent.

The new weights for the Post Office give a greater than expected weight to the postal side and this lowers the growth for Communication considerably. The growth is further lowered by the replacement of 'number of calls' by 'minutes used' for international telephoning. With the introduction of automatic dialling and cheaper calls there has been a rapid growth in the number of calls, quadrupling from 1973 to 1977 but the average length of call has fallen in 1977. 'Number of calls' therefore overstated the growth in international telephoning. Table A shows the effect of this change. The new trend for communication is now a quiet rise very different from the high growth industry that was previously shown.

Distributive trades

Apart from using more detailed output indicators to estimate dealing in supplies and machinery no large changes were made and it is not possible to split the effect of rebasing. The weights within the Order may be revised in the light of detailed examinations of the 1974 Wholesaling Inquiry and the 1976 Retailing Inquiry.

Insurance, banking, finance and business services and the Adjustment for Financial Services

A large contribution to the earnings of the insurance, banking and finance industries is made by the excess of interest received over interest paid out, on money which the companies hold for third parties. Since the net output of other industries is defined in the national accounts before interest is deducted, a certain amount of duplication in the weights could arise. A deduction is made *en bloc* by means of a special item, the Adjustment for Financial Services, which has a negative weight to which are attached the indicators used for the banking and financial services. In the 1975-based index the net interest accruing to the non-life insurance companies is treated in the same manner. This was previously excluded completely for the purpose of the weights, but the change has no effect on GDP(O) as a total.

The new suite of indicators to measure changes in banking output separates the weights into income from employment and profits. Essentially activity indicators are used to match

the income from employment share of the weight. These indicators include employment and credit and debit clearings. The remaining weight is allocated among various borrowing and lending indicators, the source of bank profits, with separate series enabling a split between sterling and foreign currency deals and covering the whole banking sector, including the bill discount market. Greater detail in the weights combined with new indicators for unit and investment trusts and other financial institutions enables the brokerage series, gilts and equity sales, to be reduced in weight in MLH 862 Other financial institutions. Allied to these changes, the same approach has been made to the indicators used for the Adjustment for Financial Services.

The effect of changing the indicators is to reduce the estimates of growth but by very little, with the new weights having a much larger impact.

Professional and scientific services, miscellaneous services

New indicators made almost no impact on the estimated growth for the professional services, and the increased growth shown by the 1975-based series results from the greater weight attached to Education. The main effect of rebasing on Miscellaneous services was due to the introduction of improved estimates, derived from VAT data to represent parts of the entertainment industry, which increased the assessment of growth between 1973 and 1977.

V. SUMMARY AND CONCLUSIONS

The results presented in Table A and discussed above provide some indication of the sensitivity of the estimates of growth in output to changes in the base year and to some changes in methodology and data sources. Outside the production sector, the general effect of the new weights was to reduce the size of growth, with notable exceptions in agriculture and education. Even within the production sector it was the non-typical growth of North Sea oil that dominated the increased growth. The effect of the new indicators, again excluding the production sector, contributed very little to the change to the total with the various ups and downs being offset. Unlike a similar exercise conducted at the time of the 1970-based rebasing exercise[5] it was possible to make an analysis at a fine level, below MLH, but the story was much the same; that is, rebasing has little overall effect on growth estimates.

A separate look at the present method of compiling the output-based version of Gross Domestic Product showed that with the new indicators there has been an extension of the use of quarterly data and revisions are not major. Conclusions as to the merit of many of the new indicators, especially for the financial sector, cannot be fully made until a reasonable run of data, perhaps another year, has been gathered.

References

[1] 'The effects of rebasing on the index of industrial production', D. C. K. Stirling; *Economic Trends*, No. 307, May 1979 (HMSO).

[2] *The measurement of changes in production*, Studies in Official Statistics, No. 25, (HMSO 1976).

[3] 'Series and weights used in estimating the gross domestic product at constant factor cost' *Output measures: Occasional Paper No. 9*, CSO.

[4] *Output Measures: Occasional Paper No. 11*, CSO.

[5] 'The effects of rebasing and some alternative methods of calculation on the output based measure of gross domestic product' *Economic Trends*, No. 253, November 1974 (HMSO).

APPENDIX

A comparison of the 1970 and 1975 weights of the components of GDP(O)

TABLE 1

	Parts per thousand	
	1970 weights	1975 weights
Agriculture, forestry and fishing	30	28
Mining and quarrying	16	17
Manufacturing	327	283
Construction	64	74
Gas, electricity and water	32	33
Transport and communication	84	88
Distributive trades	104	101
Insurance, banking, finance and business services	73	73
Ownership of dwellings	56	61
Professional and scientific services	101	129
Miscellaneous services	71	73
Public administration and defence	73	80
Adjustment for financial services	— 31	— 40
	1,000	1,000

Index numbers of output at constant factor cost

TABLE 2

	1975 = 100					
	Weight per 1,000	1973	1974	1975	1976	1977
Agriculture, forestry and fishing	28	109	110	100	92	109
Industrial production:						
Mining and quarrying	17	110·2	90·0	100	125·8	189·9
Manufacturing[1]	283	109·2	107·3	100	102·3	104·2
Construction	74	118·6	106·2	100	98·2	97·7
Gas, electricity and water	33	99·3	98·9	100	102·8	106·9
Total industrial production[1]	407	110·2	105·7	100	102·5	106·8
Transport and communication:						
Transport	57	103	101	100	99	99
Communication	31	99	102	100	99	103
Total transport and communication	88	102	101	100	99	100
Distributive trades	101	106	103	100	101	99
Insurance, banking, finance and business services	73	96	99	100	103	105
Ownership of dwellings	61	96	98	100	102	104
Professional and scientific services	129	91	95	100	103	104
Miscellaneous services	73	104	101	100	105	107
Public administration and defence	80	97	97	100	103	103
Adjustment for financial services	— 40	95	102	100	101	102
Gross domestic product[1]	1,000	103·8	101·9	100	102·2	104·8

[1] The figures are adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing.

Note The data are as published in Table 2.2 of *National Income and Expenditure 1967–77* (HMSO).
More recent data are shown on page 28 of *Economic Trends*.

The rebased estimates of the index of industrial production

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Introduction

In September 1978 a new index of industrial production based on the year 1975 and weighted according to relative prices in that year replaced the index based on 1970, which was introduced in 1973.[1] This article gives a broad outline of the changes made in the index of production since 1973, including those made at the time of rebasing. It also includes an assessment of the effects of rebasing on the estimates of growth of output between 1973 and 1977, and concludes that, except for the petroleum and natural gas extraction industry, the effects were small. Figures are then given on a consistent basis, quarterly from 1952 and annually from 1948, for the all industries index and its main components.[2]

Weighting

The index of industrial production is a base-weighted (Laspeyres) index compiled by the Central Statistical Office (CSO) as the weighted mean of around 280 component series, each representing the output of an individual industry or part of an industry. In most cases, these component series, which are derived by other government departments, are built up from more detailed activity indicators numbering some 700 in all.[3] In addition to forming part of the aggregate index of production, these components also provide valuable information about trends in the different industries. The weight given to each industry is proportional to its estimated contribution to gross domestic product at factor cost, that is to say, the value it adds to purchased materials, fuel and services. Conceptually this consists of the value of the factors of production engaged in the industry, which is equal to the sum of incomes from employment plus profits after the deduction of stock appreciation. The assessments of relative contributions of the main sectors of industry (that is mining and quarrying, manufacturing, construction, and gas, electricity and water) are compatible with those used in the compilation of the income-based measure of gross domestic product.

Within these main sectors the relative contributions appropriate to the component industries were estimated in two stages. Initially, estimates from the Annual Census of Production (ACOP) for 1975, and therefore independent of the income-based measure referred to above, were used to allocate total value added to industries broadly at Minimum List Heading level of the 1968 Standard Industrial Classification. Since 1973 comprehensive data on purchase of services, etc. have been collected in the Census and certain adjustments which had been necessary to the Census estimates of value added at the rebasing on 1970 are no longer required.* The 1975 ACOP-based estimates, however, still had to be adjusted to remove the element of stock appreciation included in Census gross value added. Where it was necessary to apportion the value added by a Census industry over several subdivisions because better assessments of change in net output would be derived from working at a more disaggregated level, the contribution of the subdivision was assumed to be in proportion to its contribution to total sales (gross output). In the previous rebasing on 1970 this information had to be taken from the commodity analysis available in the quinquennial Census of 1968. For rebasing on 1975, however, appropriate commodity detail was readily available from the system of quarterly inquiries into production industries. In a few cases gross output was not thought to be a suitable proxy for apportioning value added and an allowance was made for the special circumstances prevailing in the particular industries.

Changes in the relative weights between 1970 and 1975 arise both from differing rates of real growth of individual industries between the two years and also from changes in the relative prices of their net output. In Table A the weights in parts per thousand for each Order of the 1968 Standard Industrial Classification are given for the old index and the new, to show the change in the relative importance of the Orders. It should be noted that MLH 104 comprises a number of activities and although the relative weight of production of petroleum and natural gas increased between 1970 and 1975, exploration, which has a negative weight, also increased significantly over this period, depressing the aggregate weight.[4]

TABLE A

Order of the 1968 SIC		Weight parts per 1000 1975	1970
II	Mining and quarrying	41	37
	of which MLH 104	0·27	0·88
III	Food, drink and tobacco	77	84
IV	Coal and petroleum products	9	7
V	Chemicals and allied industries	58	58
VI	Metal manufacture	47	57
VII	Mechanical engineering	92	100
VIII	Instrument engineering	12	15
IX	Electrical engineering	66	67
X	Shipbuilding and marine engineering	15	16
XI	Vehicles	68	72
XII	Metal goods not elsewhere specified	46	48
XIII	Textiles	40	49
XIV	Leather	3	3
XV	Clothing and footwear	24	24
XVI	Bricks, cement, pottery and glass	28	27
XVII	Timber and furniture	26	22
XVIII	Paper, printing and publishing	58	64
XIX	Other manufacturing	31	31
XX	Construction	182	146
XXI	Gas, electricity and water	80	72

* It is worth noting that two adjustments necessary at rebasing on 1970 are no longer relevant. The first was the inclusion of an estimate of mining and quarrying output in Northern Ireland, which was not at that time covered by Census. The second was a specific allowance in the weight for the iron casting industry for the use of a commodity-based rather than an industry-based indicator to measure changes in output. It is planned to introduce an industry-based indicator in the near future and the interim use of an industry-based weight and a commodity-based indicator was thought unlikely to distort the index significantly.

TABLE B

Type of indicator	Percentage of total weight			
	1975-based index			1970-based index
	Provisional estimates	*Percentage level of imputation in initial publication*	Final estimates	Final estimates
Production – quantities	25·4	*14*	24·0	26·7
– values deflated	1·9	—	1·9	2·4
Deflated value of work done	19·0	*100*	22·1	14·6
Sales or deliveries				
– quantities	6·4	*7*	9·2	6·5
– values deflated	40·7	*63*	42·8	47·3
Input – labour	3·1	*53*	—	1·7
– materials	3·4	—	—	0·8
Total	100·0	*55*	100·0	100·0

Indicators

The indicators used in the index of industrial production are continually under review for possible improvement and new indicators are introduced as they become available and not merely at rebasing. The following paragraphs describe the major changes that have been made since the inception of the 1970-based index in 1973.

As explained in *The measurement of changes in production*[1], the gross output (that is, total production) of an industry is the most frequently used proxy for assessing change in value added, since the latter is difficult to measure in the short term. The use of gross output to measure changes in value added has increased slightly in importance in the rebased index at the expense of input indicators (for example, employment or materials consumed). Table B shows the relative importance of each type of indicator, distinguishing between the final position (when for each industry, the indicator adjudged to be the best available is used) and the provisional estimate, including series for which only quarterly estimates are provided, which reflects the information used when the index for a given month is first published. The corresponding position at the time of the previous rebasing on 1970 is shown alongside for comparison.

In some cases the provisional indicator for a series is not of the same type as the final indicator, but the dependence on provisional indicators of types which differ from the final indicators has been reduced to avoid some of the difficulties inherent in this approach. Where no reliable direct information is available for a given month, an imputed value is derived from the trend of previous values in the series. This approach is used primarily for series where only quarterly information is available (33 per cent of the index by weight) and also for the engineering series, which account for 17 per cent of the index by weight and where monthly indicators become available one month in arrears. The figures in italics in Table B give an approximate indication of the level of imputation included in estimates at the provisional stage.

It will be seen from Table B that the pattern of indicators used in the latest series is broadly similar to that used in the 1970-based series. There has been an increase in the number of indicators, both to allow a more detailed deflation of basic data expressed in value terms and to provide the capability for assembling aggregates additional to those published on a regular basis. This is particularly important to Departments who are monitoring performance in industries which cut across conventional classifications. The greater disaggregation will also facilitate transition to the new Standard Industrial Classification in 1983.

Apart from these general developments, there have been a number of other improvements to the indicators used.

These are:

Order II – *Mining and quarrying:* A thorough review of the type of activities carried out by the oil and natural gas industry (MLH 104) has been undertaken as part of the assessment of value added, and the number of indicators used to measure changes in the output of these activities has been increased from four to thirteen. These include:

two indicators for Exploration, one for Development, four for Oil extraction, four for Natural gas extraction and two covering Other activities. An Occasional Paper describing in detail the problems of measuring the output of this industry[4] is available on request from the CSO.

Order V – *Chemicals and allied industries:* A number of the indicators for these industries, which measured the deflated value of sales, have been replaced by indicators measuring the quantity of sales in order to remove problems of deflation in a period of fluctuating exchange rates.

Orders VII to IX – *Mechanical, instrument and electrical engineering:* A major improvement has been made to the method used for deflating value of sales indicators for these industries. The new method, which takes into account the long gestation period between the placement of an order and the time of sale which is common in those industries, as well as the type of contract price valuation, is described in detail in an article[5] in the May 1977 issue of *Economic Trends*.

Order X – *Shipbuilding and marine engineering:* New quarterly indicators have been introduced for this industry, which aim to measure the value of work done at constant 1975 prices. The number in employment (adjusted for overtime worked, short time and changes in productivity) is still used as a provisional indicator and for interpolation of the quarterly estimates of work done.

Order XX – *Construction:* A new method of deflation has been introduced in which comprehensive information on tender prices replaces the index of the cost of new construction.[6]

A detailed description of the series used in the 1975-based index will be published in due course in a revised edition of *The measurement of changes in production*. In the meantime, a list of the provisional and final indicators used, and the weights with which they are combined, is available on request from the CSO.[3]

The system of quarterly sales inquiries into production industries, which has been developed since the early 1970s, provides data which are more reliable and more comprehensive in coverage than those from other sources. The inquiries, however, measure deliveries or sales and not 'true' production in the period. Indicators measuring production of a clearly defined set of commodities in an industry are used wherever possible and the quarterly sales inquiries are then used only to provide additional information about the industry. Where there is some production information and a more comprehensive quarterly sales inquiry the latter has, in general, been used as the benchmark information for final estimates.

The use of indicators which measure sales or deliveries rather than production, however, can lead to the monthly index of production either overstating the level of output when sales are maintained by withdrawals from stocks of finished goods, or understating output when additions to stocks are being made. A quarterly adjustment to allow for the effect of such movements, based on changes in stocks of finished goods and in work in progress for the industries whose output is measured by this type of indicator, has been published since the beginning of 1977. The adjustment has been calculated for all periods from 1970. Prior to this date the range of indicators used to measure changes in production was more varied, and the calculation of a reliable adjustment from the available stocks information was not possible. At rebasing, the calculation of this adjustment was improved by the inclusion of changes of work in progress in industries for which indicators measuring production of completed goods only are used. For example, the number of cars completed in any given period does not, valuation problems apart, necessarily give an appropriate measure of the amount of work done because the amount of work in progress at the end of the period may be less than, or greater than, that at the end of the previous period. In the course of developing a better assessment of the overall adjustment, it has been necessary to work at more disaggregated levels than hitherto and to identify a set of adjustments for industries at a more disaggregated level. These adjustments are being assessed for individual reliability and, if found satisfactory, will be made available in due course.

The use of indicators of different status at the provisional and final stages of the index inevitably leads to some revisions to the index. There are, of course, other sources of revision, resulting generally from the availability of further returns to the inquiries on which the index is based or, less often, from the introduction of new indicators. As might be expected from the variety of the data sources (monthly data, quarterly data, special inquiries, administrative returns, trade association statistics, etc.) revisions to data arise at various times throughout the year. In particular, although total sales derived from the quarterly inquiry system are grossed up for late response, etc., the commodity detail is particularly vulnerable to revisions arising from the inclusion of additional returns. The emphasis on the provision of time series at a detailed industry level consistent with the latest published aggregates has led to the adoption of a more flexible revisions policy. Revisions are now implemented as they become available. The scale of the revisions is usually quite small for periods other than the most recent six months. Longer-term revisions, usually the result of methodological improvements, are introduced at convenient stages.

For seasonal adjustments, the multiplicative version of the X-11 variant of the US Bureau of the Census Method II[7] is used. It is applied, as appropriate, separately to each of the 280 or so components handled by the CSO. Seasonally adjusted aggregates are obtained by calculating the weighted arithmetic mean of the appropriate seasonally adjusted components rather than by independently adjusting the total series. In this way specific observed disturbances can be taken into account when determining the appropriate seasonal adjustment for each series and the seasonally adjusted aggregates do not falsely compress irregular factors.

Effect of rebasing on the estimates of growth 1973 to 1977

The last index of production for 'all industries' based on the relative prices of 1970, which was published in August 1978, showed a decrease of 6·7 per cent between the years 1973 and 1977. The corresponding index rebased on the relative prices of 1975, published in October 1978 (and since revised slightly) fell by only 3·4 per cent. The data underlying the two versions have been analysed in an attempt to assess the extent to which the difference of 3·3 per cent was due to the introduction of new indicators or of changed methodology and how much was due to the rebasing *per se*. The results of this analysis are shown in Table C. Because resource constraints precluded preparations of index numbers on the two different bases at the same time, it is

not possible to exclude from the analysis changes due to the receipt, between August and October 1978, of later and more complete information, but this is unlikely significantly to affect the results.

The analysis was undertaken by constructing a further version of the index, for all the main aggregates, approximating to the intermediate stage of rebasing. This was performed by rescaling each of the 210 individual components of the 1970-based index so that the 1975 value equalled 100, and then recombining the appropriate components with 1975 weights to reform the aggregate in question. The difference between this intermediate index and the 1975 based index can broadly be attributed to the effect of improved indicators and/or methodology. It also includes the effects of reweighting the sub-components where these are used, undertaken by the contributing departments, and of reweighting the price indicators used to deflate these sub-components. Because the number and coverage of the indicators available to the CSO for the 1970-based index were different from those available for the new 1975-based index, certain simplifying assumptions had to be made when rescaling and reweighting at the most disaggregated level. This has resulted in some distortion of the analysis but is thought to be significant only for the Petroleum and natural gas industry and Metal goods n.e.s. industry. In the former, where 13 new indicators replaced the 4 indicators used previously, the effect of reweighting far outweighs the distortion; in the case of Metal goods n.e.s. the distortion introduced renders the analysis too unreliable to include in the table.

TABLE C

Percentage change in main industries 1973 to 1977

	1975 based weights	1970 based series	1975 based series	Difference	Difference due to reweighting	Difference due to other effects[1]
All industries	1,000	−6·7	−3·4	+3·3	+3·0	+0·3
Mining and quarrying	41	+12·0	+70·2	+58·2	+75·7	−17·5
Manufacturing:	697	−5·9	−5·0	+0·9	—	+0·9
Food, drink and tobacco	77	+2·9	+0·6	−2·3	−1·0	−1·3
Chemicals, coal and petroleum products	66	+7·0	+6·3	−0·7	+0·4	−1·1
Metal manufacture	47	−19·4	−18·5	+0·9	+0·4	+0·5
Engineering and allied industries	298	−6·8	−4·2	+2·6	−0·8	+3·4
Textiles, leather and clothing	67	−7·9	−8·8	−0·9	+1·4	−2·2
Other manufacturing	142	−9·2	−7·9	+1·3	—	+1·3
Construction	182	−22·9	−17·1	+5·8	+0·2	+5·6
Gas, electricity and water	80	+8·5	+7·8	−0·7	+1·4	−2·1
Coal mining	34	−13·6	−12·7	+0·9	—	+0·9
Other mining and quarrying	7	+81·9	+347·9	+266·0	+346·9	−80·8
Food	54	+0·1	−1·0	−1·1	−1·4	+0·3
Drink and tobacco	23	+7·2	+4·7	−2·5	+0·9	−3·3
Coal and petroleum products	9	−15·3	−14·8	+0·5	+0·2	+0·2
Chemicals and allied industries	57	+9·5	+10·0	+0·5	+1·1	−0·7
Ferrous metals	35	−21·2	−22·0	−0·8	−0·8	—
Non-ferrous metals	12	−14·5	−7·2	+7·3	+1·2	+6·0
Engineering:	170	−5·2	−1·2	+4·0	+1·8	+2·3
Mechanical	92	−6·3	−4·1	+2·2	+1·3	+0·9
Instrument	12	+5·0	+6·8	+1·8	—	+1·9
Electrical	68	−5·7	+1·4	+7·1	+2·6	+4·4
Shipbuilding and marine engineering	14	−4·2	−4·0	+0·2	+0·2	—
Vehicles:	68	−13·3	−9·9	+3·4	−1·1	+4·5
Motor vehicles	43	−9·6	−9·8	−0·2	—	−0·2
Other vehicles	25	−19·1	−10·3	+8·8	−3·1	+12·9
Metal goods not elsewhere specified	46	−4·0	−5·4	−1·4	..	..
Textiles	40	−13·8	−13·8	—	+0·9	−0·9
Leather	3	−3·4	−9·5	−6·1	−0·2	−5·9
Clothing and footwear	24	+2·8	+1·1	−1·7	+0·6	−2·4
Bricks, pottery, glass, etc.	28	−14·0	−12·1	+1·9	+0·9	+1·0
Bricks, cement, etc.	17	−22·6	−22·3	+0·3	−0·2	+0·4
Pottery and glass	11	−1·4	+5·1	+6·5	+1·4	+5·1
Timber, furniture, etc.	25	−20·5	−17·7	+2·8	+0·3	+2·6
Paper, printing and publishing	58	−8·8	−7·9	+0·9	−0·1	+1·1
Other manufacturing industries	31	+3·5	+4·8	+1·3	+0·4	+0·8

[1] Other effects include new indicators and revisions to data.

Care should be exercised when comparing the estimates of an individual aggregate directly and in absolute terms with other aggregates because of the variation in importance of the series. The main feature which emerges from the analysis is that, apart from the Petroleum and natural gas extraction industry (MLH 104), the effect of reweighting is small in relation to the introduction of new indicators and/or metholodogy.

Within *mining and quarrying* the increased importance of North Sea Oil was partly offset by the effect of the decline in coal mining. Within *metal manufacturing* the use of new indicators for non-ferrous metals is apparent but the large change to 'other vehicles' within *engineering and allied* is mainly attributable to the introduction of later information rather than to new indicators or revised methodology. Up until the time of rebasing many of the indicators used for measuring the output of *metal goods n.e.s.* were aggregated before being received by the CSO. Subsequently they have been received in their disaggregated form but this change in procedure could not be allowed for adequately in this analysis. Improved indicators or methodology have been introduced in a number of the components of *other manufacturing*. Within *construction* the improvements were associated with better methods of deflating estimates of output at current prices.

Linking of data from earlier series

In 1973 an article[4] in *Economic Trends* presented long series of index numbers of production on the reference base 1970=100 for a selection of industries. Annual data for periods from 1948, and quarterly data, in general for periods beginning in the first quarter of 1952, were included in the article. Those estimates were calculated from several relatively short runs of index numbers which had originally been calculated with different base years, using different types of indicators and in some cases according to a slightly different industrial classification. The preparation of these long runs of data involved making adjustments for the difference in classification and also developing a suitable method for linking two adjacent series in a way which minimised discontinuities of seasonal patterns. In addition, a suitable method of aggregating components to form totals and sub-totals was developed. The solutions adopted for the calculation were described in an earlier article[9] in *Economic Trends* but the main points are summarised in the following paragraphs.

In order to construct a link between two sets of index numbers with different base years, factors to adjust the level of the earlier set were estimated from the observed relationship between the two quarterly series within an overlap period of three years (i.e. 12 values). Because the use of different indicators for the two sets could give rise to a variability in this relationship the annual link was calculated as the mean of the two closest ratios of corresponding annual values. To allow for discontinuities in seasonal pattern the three-year mean quarterly ratio for each quarter was superimposed on this two-year mean ratio. Aggregation was effected by a method which approximated to the process of linking used for components but using instead the aggregates expressed in terms of the original base years. The approximation was necessary at the time because of the cumbersome nature of the calculations involved.

Certain simplifications were made to this approach for the link between the 1970-based series and the current 1975 series, to provide broadly reliable estimates of the longer-term growth of industrial production on a basis which is consistent, as far as possible, with the series based on the relative prices of 1975. Firstly, in order to improve consistency with the methods adopted in the rest of the National Accounts, the annual link factor was derived from the estimates for the year 1973 alone, and, secondly, the linking procedure was applied independently to seasonally adjusted and non seasonally adjusted series. The effect of the latter is to retain, for the period from 1968 onwards, the more refined seasonal adjustments already incorporated into the published series.

An identical linking method to that used for the component series has been adopted in the aggregates for all industries, manufacturing industries and other sub-totals. This procedure is essentially a compromise between the use of a fixed weighting system throughout the whole period 1948 to 1978 and the use of annually-changing up-to-date weights which can legitimately provide comparisons only between adjacent years. The method adopted preserves the relative movements between components and the aggregates given in the 1970-based series up to 1973 but provides a form of chain linking between base periods. Prior to 1968 the methodology on which components are calculated is unchanged.

The Appendix tables show long series of index numbers expressed in terms of 1975=100 for the index of industrial production and its main components. Other more detailed tables are available on request from the CSO.

References:

1 *The Measurement of changes in production* Studies in Official Statistics No. 25, (HMSO 1976).

2 The latest figures are first issued each month in a press notice, some six weeks after the end of the month to which they refer and are subsequently published in the *Monthly Digest of Statistics*. A table giving similar information is also published monthly in *Trade and Industry*.

3 *Series and weights used in the index of industrial production* Output Measures: Occasional Paper 8, CSO.

4 *MLH 104 – Petroleum and Natural Gas* Output Measures: Occasional Paper No. 10, CSO.

5 'Improvements to the engineering series for the index of industrial production' *Economic Trends* No. 283, May 1977 (HMSO).

6 'New price indices for construction output statistics' *Economic Trends* No. 297, July 1978 (HMSO).

7 US Bureau of the Census, Technical Paper 15, *The X-11 variant of the Census Method II Seasonal Adjustment Program* (J. Shiskin, A. H. Young and J. C. Musgrave) US Department of Commerce, Bureau of the Census February 1967.

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APPENDIX

Index of industrial production: summary 1948—1955

Average 1975 = 100, seasonally adjusted

			Manufacturing industries								
	Total all industries	Mining and quarrying	Total manufacturing industries	Food, drink and tobacco	Chemicals, coal and petroleum products	Metal manufacture	Engineering and allied industries	Textiles, leather and clothing	Other manufacturing	Construction	Gas, electricity and water
Order[1]	II–XXI	II	III–XIX	III	IV–V	VI	VII–XII	XIII–XV	XVI–XIX	XX	XXI
Weights	1,000	41	697	77	66	47	298	67	142	182	80
1948	50·3	149·9	46·9	54·5	22·4	77·6	41·9	74·2	41·4	62·0	26·4
1949	53·6	154·6	50·3	56·6	24·7	80·6	44·9	80·2	45·4	64·9	28·2
1950	56·8	156·1	54·1	58·3	27·6	84·4	48·1	86·5	50·4	64·9	30·7
1951	58·1	161·4	55·7	57·3	29·4	87·8	50·8	85·5	52·7	62·4	32·7
1952	56·3	163·2	53·0	58·9	28·0	89·9	50·9	73·0	46·6	64·3	33·6
1953	60·0	163·4	56·7	62·1	31·5	89·1	52·9	83·9	50·5	68·9	35·4
1954	63·0	165·2	59·8	62·5	34·5	96·1	55·7	86·5	56·9	72·1	38·4
1955	66·0	162·6	63·5	64·1	36·2	104·2	61·5	85·5	60·5	72·3	40·4
1952 *1*	56·8	157·8	53·9	58·2	28·3	89·0	50·7	76·3	50·0	64·3	32·3
2	55·8	163·5	52·3	58·7	27·8	90·0	51·5	67·5	46·4	64·4	32·9
3	55·5	170·6	51·5	59·3	27·1	90·5	49·9	68·5	44·1	64·3	33·6
4	57·4	160·9	54·1	59·3	28·8	89·8	51·6	79·9	46·1	64·4	35·6
1953 *1*	58·6	167·1	55·1	60·1	30·6	89·3	52·1	82·6	46·6	66·8	35·1
2	59·2	162·6	56·1	62·4	30·8	87·4	51·9	84·4	49·5	67·4	34·6
3	59·8	155·9	56·7	62·4	31·4	86·4	52·7	83·6	51·2	69·6	35·1
4	62·4	167·9	59·1	63·5	33·4	93·3	55·0	85·1	54·5	71·8	36·6
1954 *1*	61·7	166·6	58·2	61·7	33·5	93·7	53·8	86·5	54·7	72·1	37·8
2	62·6	165·0	59·4	62·0	34·5	95·8	54·8	87·4	56·8	72·0	37·7
3	63·2	162·7	60·1	62·5	34·6	95·4	56·4	86·6	57·4	72·5	38·9
4	64·3	166·5	61·4	63·8	35·4	99·3	57·9	85·8	58·6	71·7	39·0
1955 *1*	64·9	164·4	62·5	63·7	35·7	102·2	59·9	86·0	59·5	68·6	40·7
2	65·6	159·6	63·2	63·6	35·6	103·4	61·6	85·1	59·7	72·2	40·0
3	66·1	160·2	63·6	64·7	36·1	103·6	61·9	84·4	60·8	73·7	39·7
4	67·4	166·3	64·8	64·4	37·5	107·4	62·6	86·6	61·9	74·5	41·2

[1] Industries are grouped according to the Standard Industrial Classification 1968.

Source: Central Statistical Office.

Index of industrial production: summary 1956—1963

Average 1975 = 100, seasonally adjusted

			Manufacturing industries								
	Total all industries	Mining and quarrying	Total manufacturing industries	Food, drink and tobacco	Chemicals, coal and petroleum products	Metal manufacture	Engineering and allied industries	Textiles, leather and clothing	Other manufacturing	Construction	Gas, electricity and water
Order[1]	II–XXI	II	III–XIX	III	IV–V	VI	VII–XII	XIII–XV	XVI–XIX	XX	XXI
Weights	1,000	41	697	77	68	47	298	67	142	182	80
1956	66·6	163·4	63·4	65·6	38·6	105·7	60·5	84·6	59·1	76·2	42·2
1957	67·8	162·2	64·9	66·6	40·4	107·0	62·8	84·1	60·1	76·0	43·8
1958	67·3	154·9	64·3	68·6	41·8	97·1	63·5	76·8	60·5	75·8	45·8
1959	70·6	150·6	68·0	70·9	46·1	101·4	66·5	81·9	65·0	80·0	47·0
1960	75·5	145·1	73·5	72·9	50·9	117·6	71·6	85·7	71·4	84·2	50·6
1961	76·5	143·0	73·7	75·2	51·8	110·7	72·2	84·0	71·9	90·7	52·9
1962	77·2	146·7	73·8	76·6	53·5	104·6	73·0	81·6	72·5	91·5	57·1
1963	79·4	146·8	76·5	78·9	57·2	109·5	74·9	84·2	75·3	91·3	59·9
1956 *1*	66·5	162·3	63·9	64·1	38·4	107·4	62·0	84·6	59·0	72·7	42·0
2	66·9	164·6	63·6	65·5	38·8	106·6	60·2	86·0	59·6	77·9	42·0
3	66·3	163·2	62·9	64·8	38·8	104·1	60·0	84·5	58·8	77·2	42·4
4	66·4	163·4	63·1	68·1	38·3	104·6	59·8	83·3	58·9	77·1	42·6
1957 *1*	67·4	165·9	64·4	67·0	38·9	106·2	61·2	86·7	60·4	77·0	41·4
2	67·8	165·0	64·7	66·0	40·2	107·2	61·9	85·8	60·3	77·1	43·8
3	68·5	160·1	65·9	66·6	41·1	108·1	64·8	84·2	60·3	75·0	45·1
4	67·5	158·1	64·7	66·8	41·4	106·7	63·2	79·7	59·6	75·1	45·1
1958 *1*	67·8	157·6	65·0	68·5	41·4	104·2	63·6	80·2	60·1	75·5	45·1
2	67·0	155·6	64·0	69·4	41·1	98·4	63·0	75·6	60·1	75·3	45·9
3	66·8	152·6	63·6	68·3	41·5	94·9	62·8	75·1	60·2	75·6	46·0
4	67·7	154·0	64·7	68·1	43·4	90·7	64·6	76·5	61·6	76·7	46·2
1959 *1*	68·1	151·1	65·2	70·2	43·9	93·1	63·6	78·1	62·9	78·2	46·5
2	69·9	152·6	67·1	70·2	45·9	97·8	66·0	81·0	63·6	79·4	46·2
3	70·6	151·1	67·9	71·8	46·5	102·6	65·4	83·1	65·2	80·3	47·2
4	73·8	147·5	71·9	71·3	48·3	112·1	71·0	85·4	68·4	82·1	48·1
1960 *1*	75·2	149·1	73·2	71·9	49·6	116·7	72·0	85·6	71·1	83·5	49·1
2	75·1	144·5	73·3	72·9	50·6	117·4	71·3	85·7	71·3	83·5	49·3
3	75·3	143·4	73·3	72·7	51·6	118·3	70·9	85·4	71·5	83·3	52·0
4	76·3	143·5	74·1	74·0	51·7	117·8	72·0	86·4	71·8	86·3	52·2
1961 *1*	75·8	140·1	73·5	75·2	52·4	114·3	70·8	84·2	72·5	89·2	50·1
2	77·0	142·9	74·4	75·0	51·5	113·9	73·2	85·3	72·5	90·9	52·5
3	76·8	144·4	73·8	75·3	51·3	109·2	72·8	84·9	71·7	91·7	53·7
4	76·2	144·5	72·9	75·2	52·0	105·3	72·2	81·7	71·0	90·9	56·2
1962 *1*	76·3	144·8	72·9	76·1	52·3	104·2	72·1	81·7	70·9	92·0	55·5
2	77·5	147·1	74·1	76·9	52·9	104·9	73·5	80·8	73·2	92·8	56·8
3	78·0	148·6	74·6	76·5	54·4	105·9	73·9	82·1	73·3	93·0	57·7
4	76·8	148·3	73·7	76·9	54·2	103·2	72·4	81·6	72·7	88·2	58·4
1963 *1*	75·0	142·2	72·7	76·6	54·2	102·9	72·3	80·8	68·0	78·5	61·0
2	78·8	149·8	75·4	79·0	56·8	105·4	73·5	83·2	74·7	93·6	58·7
3	81·0	147·9	77·9	80·1	58·2	112·6	76·3	85·4	77·3	94·8	60·0
4	82·8	147·2	79·8	80·1	59·0	116·9	77·4	87·4	81·1	98·3	60·1

[1] Industries are grouped according to the Standard Industrial Classification 1968.

Source: Central Statistical Office.

Index of industrial production: summary 1964—1971

Average 1975 = 100, seasonally adjusted

			Manufacturing industries								
	Total all industries	Mining and quarrying	Total manufacturing industries	Food, drink and tobacco	Chemicals, coal and petroleum products	Metal manufacture	Engineering and allied industries	Textiles, leather and clothing	Other manufacturing	Construction	Gas, electricity and water
Order[1]	II–XXI	II	III–XIX	III	IV–V	VI	VII–XII	XIII–XV	XVI–XIX	XX	XXI
Weights	1,000	41	697	77	68	47	298	67	142	182	80
1964	86·1	147·1	83·4	80·7	62·9	124·1	81·9	89·1	84·9	104·6	63·0
1965	88·8	141·7	85·8	82·6	67·3	129·6	83·4	91·9	86·9	105·3	67·3
1966	90·2	133·6	87·3	85·0	71·1	122·2	85·8	91·7	88·1	107·3	70·0
1967	91·2	132·6	87·9	86·5	74·5	114·9	86·4	89·2	89·8	111·6	72·6
1968	97·0	132·4	94·1	90·1	80·4	122·5	91·8	99·9	95·6	114·4	77·0
1969	99·6	123·9	97·6	93·0	85·3	125·4	96·8	101·4	96·8	113·5	80·9
1970	99·7	119·1	98·0	94·4	90·1	125·1	96·5	101·0	96·5	111·4	84·1
1971	99·8	119·1	97·4	95·0	92·2	114·1	95·2	103·3	97·2	113·3	87·3
1964 *1*	85·3	152·2	82·4	79·7	61·1	120·8	81·1	88·8	84·5	99·3	61·9
2	85·3	144·4	82·4	79·5	62·3	123·8	80·9	88·1	83·6	101·1	62·4
3	85·9	145·5	83·2	81·4	63·4	123·3	81·5	89·1	84·4	100·0	63·0
4	88·1	146·3	85·6	82·2	65·0	128·6	84·1	90·5	87·0	102·0	64·7
1965 *1*	88·7	145·5	85·4	81·7	66·5	131·7	83·0	90·9	86·8	107·4	66·1
2	88·3	141·5	85·6	82·1	67·3	130·2	83·3	91·4	86·4	104·0	65·7
3	88·4	139·5	85·4	83·0	67·3	128·8	82·4	92·2	86·8	103·9	68·6
4	89·7	140·3	86·8	83·6	67·9	127·8	84·8	93·1	87·6	106·0	68·9
1966 *1*	90·5	134·0	88·2	85·2	70·2	126·4	86·4	93·8	89·3	105·7	67·8
2	90·5	137·1	87·7	85·7	69·7	124·3	85·5	93·8	89·5	106·9	69·5
2	90·8	128·9	88·1	84·6	72·0	121·7	87·3	91·4	89·0	107·8	71·0
4	88·9	134·3	85·3	84·7	72·5	116·2	83·9	87·8	84·7	108·6	71·5
1967 *1*	90·1	134·3	86·8	86·6	73·7	115·6	85·2	88·6	87·1	110·6	70·0
2	91·0	131·8	87·5	86·1	74·2	114·6	86·8	87·3	88·8	110·8	73·1
3	91·0	127·4	87·7	87·1	74·2	114·4	85·8	88·8	90·7	112·3	72·5
4	92·9	136·9	89·4	86·2	75·9	115·2	87·7	92·0	92·5	112·6	74·7
1968 *1*	95·8	137·6	92·7	90·1	79·2	117·5	89·5	99·1	96·0	114·8	73·9
2	96·8	132·6	93·7	89·2	79·8	121·9	91·7	98·7	95·5	114·2	79·2
3	97·5	129·9	94·7	90·7	80·6	125·0	93·0	100·5	94·5	114·3	79·2
4	97·8	129·5	95·4	90·5	82·1	125·6	93·2	101·3	96·3	114·4	75·9
1969 *1*	98·8	128·4	96·4	92·0	84·0	126·3	94·5	101·9	96·3	113·5	80·3
2	100·4	125·9	98·3	92·6	84·9	129·5	97·8	103·1	96·2	113·7	83·6
3	99·9	125·1	98·0	93·5	86·3	122·0	97·6	100·5	97·3	114·1	80·1
4	99·3	116·2	97·9	94·1	86·0	123·9	97·2	100·1	97·2	112·9	79·4
1970 *1*	99·1	122·6	97·3	92·3	87·6	123·7	96·9	100·0	95·7	108·4	85·4
2	99·6	122·2	97·9	94·6	89·6	128·0	96·4	101·0	95·6	111·9	81·5
3	100·0	120·3	98·0	95·0	91·9	125·1	95·4	101·3	97·4	113·7	83·7
4	100·2	111·3	98·8	95·7	91·5	123·4	97·4	101·8	97·1	111·4	85·6
1971 *1*	99·3	123·6	97·3	94·5	91·5	119·5	94·5	103·1	97·1	111·2	84·6
2	100·4	123·7	98·1	94·8	91·1	114·9	97·2	102·6	96·9	113·8	85·2
3	99·8	121·0	97·3	95·7	91·2	114·7	94·9	104·0	96·9	112·7	88·0
4	99·9	108·0	97·1	95·1	94·7	107·5	94·4	103·3	97·9	115·7	91·3

[1] Industries are grouped according to the Standard Industrial Classification 1968.

Source: Central Statistical Office.

Index of industrial production: summary 1972—1978

Average 1975 = 100, seasonally adjusted

	Total all industries	Mining and quarrying	Manufacturing industries: Total manufacturing industries	Food, drink and tobacco	Chemicals, coal and petroleum products	Metal manufacture	Engineering and allied industries	Textiles, leather and clothing	Other manufacturing	Construction	Gas, electricity and water
Order[1]	II–XXI	II	III–XIX	III	IV–V	VI	VII–XII	XIII–XV	XVI–XIX	XX	XXI
Weights	1,000	41	697	77	68	47	298	67	142	182	80
1972	102·0	100·2	100·0	99·1	96·9	114·3	95·7	105·6	103·3	115·4	93·6
1973	109·5	110·2	108·3	103·2	107·7	125·1	103·5	111·3	114·7	118·2	99·3
1974	105·1	90·0	106·5	102·5	110·6	114·6	104·6	103·6	109·5	105·8	99·2
1975	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1976	102·0	125·7	101·4	102·7	111·3	106·9	97·0	100·9	103·9	98·6	102·9
1977	105·8	187·6	102·8	103·9	114·4	102·0	98·9	101·6	105·7	98·2	107·0
1978	109·7	233·0	103·5	105·8	115·4	100·7	99·1	101·1	108·2	105 3	109·9
1972 *1*	96·4	55·0	95·1	97·0	92·3	102·4	91·4	101·2	97·0	115·3	87·7
2	102·6	115·8	99·7	98·6	97·3	115·4	95·5	104·3	102·6	117·8	93·9
3	103·1	114·6	100·7	99·9	96·9	116·7	98·0	107·6	104·2	114·5	96·3
4	106·0	115·4	104·6	100·9	101·1	122·6	100·0	109·3	109·5	114·1	96·5
1973 *1*	109·2	115·2	106·9	101·1	104·7	121·4	101·9	113·2	113·6	121·4	98·2
2	109·7	114·8	108·2	105·1	106·0	127·8	102·7	111·9	114·2	118·3	100·1
3	110·1	113·2	109·1	103·7	109·3	128·4	104·2	109·5	115·9	118·0	98·7
4	109·0	97·7	109·2	102·8	110·9	122·8	105·2	110·5	115·0	115·0	100·1
1974 *1*	102·6	59·5	104·5	105·2	110·7	113·1	99·9	99·0	110·4	109·8	92·0
2	107·6	98·3	109·1	103·4	113·4	118·0	106·5	108·0	113·0	108·1	98·6
3	106·8	102·2	108·0	102·0	111·8	118·6	106·6	105·9	109·8	105·2	103·1
4	103·5	99·9	104·6	99·5	106·4	108·4	105·5	101·4	105·0	100·2	102·9
1975 *1*	102·6	95·6	103·8	100·4	101·5	113·1	104·7	101·4	103·0	100·7	99·3
2	99·5	98·2	99·2	98·1	97·9	99·2	99·8	100·5	98·6	100·4	100·6
3	98·4	98·3	98·1	99·9	97·8	92·2	98·2	99·1	98·5	99·6	98·4
4	99·5	108·0	98·8	101·6	102·8	95·5	97·2	99·1	99·9	99·3	101·7
1976 *1*	100·1	110·0	99·1	98·8	106·5	100·6	96·0	100·2	101·4	100·2	103·5
2	101·8	119·9	101·7	104·3	110·2	110·8	97·2	99·6	103·8	97·8	102·4
3	101·6	125·7	101·7	104·5	112·9	108·5	96·3	100·8	104·2	96·5	100·3
4	104·5	147·1	103·1	103·2	115·7	107·6	98·3	102·8	106·1	100·0	105·2
1977 *1*	105·6	174·4	103·9	105·1	116·0	103·7	99·3	104·1	107·3	96·3	106·3
2	105·5	189·8	102·4	103·7	114·5	102·6	98·9	100·9	104·1	96·9	108·6
3	106·2	190·3	103·0	102·7	114·7	107·0	99·3	101·2	105·2	98·8	107·8
4	105·8	195·7	101·8	104·3	112·6	94·8	98·3	100·0	105·9	101·0	105·5
1978 *1*	107·0	209·5	102·2	106·1	111·8	96·6	99·9	98·0	104·3	101·9	107·7
2	110·7	229·5	104·5	106·9	115·2	107·4	99·8	101·3	108·7	107·3	112·0
3	111·4	236·8	104·9	104·2	117·3	101·2	100·8	103·9	110·0	107·2	112·7
4	109·6	256·3	102·5	105·9	117·3	97·5	95·8	101·2	109·9	105·0	107·2

[1] Industries are grouped according to the Standard Industrial Classification 1968.

Source: Central Statistical Office

Round-up: what's new in economic statistics

Economic indicators at a glance

The 11 May issue of *Trade and Industry* began a new weekly feature – 'Economic indicators at a glance'. This section summarises the latest main economic indicators, under the broad headings Output, Consumers' expenditure, Investment, Labour, Incomes, Prices and costs, Companies, Balance of payments, Exchange rate, Finance.

Employment Gazette

Articles in the May issue of *Employment Gazette* discuss an occupational analysis of employees in engineering and related industries in Great Britain in May 1978; a review of statutory wage regulation in 1978; and a study by the Department of Employment into unemployment in West Cornwall.

Statistical articles appearing this month include 'Earnings in shipbuilding and chemicals: January 1979'; 'Labour turnover: Manufacturing industries March 1979'; 'Changes during 1978 in basic rates of wages, normal hours of work and paid holiday entitlements'.

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Data given on page 5 may be more recent than that shown elsewhere in the publication.

United Kingdom balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

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Dd 595942 K33 5/79

ISBN 0 11 725574 2
ISSN 0013-0400

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